SENATE—*Wednesday, February 23, 1994*

(Legislative day of Tuesday, February 22, 1994)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable BEN NIGHTHORSE CAMPBELL, a Senator from the State of Colorado.

PRAYER

Rabbi Paul D. Kerbel, Congregation Nevey Shalom, Bowie, MD, offered the following prayer:

Let us pray:

Our God and God of our ancestors: We ask Your blessings for our country, for its Government, for its leaders and advisers, and for all who exercise just and rightful authority. Teach them insights of Your Torah, that they may administer all affairs of State fairly, that peace and security, happiness and prosperity, justice and freedom may forever abide in our midst.

Creator of all flesh, bless all the inhabitants of our country with Your spirit. May citizens of all races and creeds forge a common bond in true harmony to banish all hatred and bigotry and to safeguard the ideals and free institutions which are the pride and glory of our country.

May this land under Your Providence be an influence for good throughout the world, uniting all people in peace and freedom and helping them to fulfill the vision of Your prophet: "Nation shall not lift up sword against nation, neither shall they experience war any more."

And let us say: Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 23, 1994.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable BEN NIGHTHORSE CAMPBELL, a Senator from the State of Colorado, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. CAMPBELL thereupon assumed the chair as Acting President pro tempore.

RABBI PAUL KERBEL

Ms. MIKULSKI. Mr. President, this morning's guest chaplain is Rabbi Paul Kerbel, a leader of the Jewish community in Prince Georges County, MD. I know the Senate joins me in thanking Rabbi Kerbel for delivering this morning's prayer.

Rabbi Kerbel is Rabbi of Congregation Nevey Shalom in Bowie, MD. He is vice president of the Washington Board of Rabbis, a member of the board of the United Jewish Appeal—Federation of Greater Washington, and a member of the National Rabbinic Cabinet of the United Jewish Appeal.

I certainly appreciated Rabbi Kerbel's words of inspiration this morning. I am confident that they will enlighten our efforts to engage in reasoned, respectful debate today.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business until the hour of 10:15 a.m., with Senators permitted to speak therein for up to 5 minutes each. The first 45 minutes of morning business is under the control of the Senator from Wyoming [Mr. WALLOP] or his designee.

Mr. WALLOP addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Wyoming [Mr. WALLOP] is recognized.

Mr. WALLOP. I thank the Chair. I will shortly yield to the Senator from Montana.

THE EFFECTS OF BUDGET DEFICITS

Mr. WALLOP. Mr. President, one of the things about budget deficits that ought to concern Americans is that it is the tool by which Government can excessively control the lives of Americans. With Congress inattentive and uncaring about the size of the budget deficit, we find that we end up funding an increasingly arrogant bureaucracy which stretches its influence over the daily lives of Americans in untold, unnumbered, and unimaginable ways. The loss of freedoms that Americans sense can be directly attributed to the size of the Federal budget deficit.

If Congress ever got to the point where we actually accounted for everything we spent, we would then have to prioritize. And once we started to prioritize, those agencies of Government that are the most offensive, the most invasive of American privacy, would clearly come under our purview.

We discuss the deficit in such abstract terms that it is almost impossible to understand fully what impact the deficit has on the lives of Americans. As I travel this country, and as I travel my home State of Wyoming, I find an increasing number of Americans terrified of their Government, actively trying to serve it instead of expecting it to serve them, and actively trying to stay out of sight lest it should take notice.

For example, among the other things Congress does is to increase continuously the funding of an agency, like the Internal Revenue Service, which, when it challenges an American on his or her taxes, can rely on a bottomless well of money to audit, investigate, and litigate. Oftentimes, a taxpayer is placed in the position of literally having to admit guilt rather than contest the IRS's judgment because it will cost more to defend than to admit guilt.

The EPA acts in much the same way. If you attempt to challenge the EPA, they will very likely declare you a willful violator and assess a fine, which will run throughout the litigation, for your alleged violation. Who dares expose themselves to that kind of judgment?

This invidious power is the result, as much as anything, of agencies having too much money. Of agencies that themselves do not have to decide among the priorities under their purview. And so as we casually go along adding to the budget deficit, we are also adding to the arrogance of American bureaucratic power.

We have allowed the budget system to get so complex that even its most admirable practitioners do not understand it all. That is why the debate on the balanced budget resolution is so critical a one to Americans.

It is interesting to listen to those who oppose the amendment; they say it would raise taxes on Americans. The assumption behind such a statement is that those of us in Congress are such fools that we are unable to make a judgment about priorities. Instead of raising taxes on Americans, we might select among some of the current wealth transfer programs, or maybe we would make a judgment on whether some of the agencies of Government were actually serving the needs of the

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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people as contemplated by the Constitution.

We do not have to raise taxes to balance the budget. We have to make decisions. The assumption that our choice lies among adding to the deficit, continuing the deficit interminably, or simply increasing the abuse of Government on Americans is a telling statement about the mindset that has settled upon Congress. Why is it that we can borrow from our grandchildren's future or punish Americans with taxes, but we are unable to make a judgment to spend less or spend more wisely?

Mr. President, I will have more to say on the budget as the morning goes on, but for the moment I yield 5 minutes to the Senator from Montana [Mr. BURNS].

The ACTING PRESIDENT pro tempore. The Senator from Montana [Mr. BURNS] is recognized for 5 minutes.

Mr. BURNS. I thank my friend. I wish to ask a question to my friend from Wyoming, who will be leaving this body at the end of this Congress, and he will be missed for the depth that he goes into subjects such as this.

For those who would oppose the balanced budget amendment, is that an indication we have given up, that we cannot prioritize or quit funding programs that will not work?

Mr. WALLOP. Mr. President, I say to the Senator from Montana, that is the only conclusion you can draw from the arguments raised against it. The whole argument that we are taking from Congress the power of the purse is nonsense. We will still have the power of the purse. It will just be a more responsibly defined power, which is not the type of power we possess at this moment.

Mr. BURNS. I thank my friend. I am not schooled in the school of economics. I was raised in an area where economics or your economic well-being was judged by your accounts receivable which was in your left front pocket and your accounts payable were in your right front pocket. And nothing happens in the right front until something happens in the left front.

That is the way we should operate this Government, because I come out of local government where we were not only the people who set the budget, we were also the same three people who were on the appropriations. We appropriated the money and spent it.

Let us take a look at this budget this morning. Yes, there are some things that we like about the budget and some things we want to work with the Budget Committee on. But there are some that I think we have forgotten as we are making our assumptions on how we do our business. No. 1, it is my opinion that we have to get away or depart from baseline budgeting. If we are to get some kind of control on the spending side of the ledger, we have to do something other than baseline budgeting.

We do not assume that we start 6 percent higher this next year based on last year's budget. It was my intention back in 1990 on the 4 percent solution that would say we can allow the Federal budget to grow 4 percent based on previous year's expenditures, and still maintain proper reserves in the event that we had a catastrophe or national emergency that we will take care of. We have had to take care of some of those, of course the latest being the earthquake in California. So deficit reduction is one thing. Debt reduction is quite another.

I have talked about what is really fueling the economy at this time which, of course, is small business. Big business is laying off people. There is no expansion, no job opportunity right now like there is in small business. Yet, that engine that is powering this new rebirth of the American economy is under a great deal of pressure right now.

The small businesses that I am talking about are on Main Street Montana which were telling me this: That they are hiring part-time workers—no full-time workers—because of the reluctance to accept the fact that this is a solid rebuilding, that the future is pretty well intact. But they also see more rules and regulations coming down the pike that is going to affect the way they do business. And they are worried about that. They are also worried, and legitimately so, about health care and which direction it is going to go while we reform that industry. I think we should probably tackle welfare reform before we do anything about health care reform.

I am not particularly enamored with the President's health plan. But I am also not enamored with the status quo. There are some reforms that have to be made. I think we can do that. Let us take a look at welfare reform.

I cannot blame these small-business men as they try to make some kind of commitment to the future not only for their employees but for themselves and for the enterprise that they are they are in.

Let us take one example in the budget. There is a 1,000 percent increase in fees to be a dealer in firearms; 1,000 percent. That affects almost 3,000 individual people in my State of Montana who probably, more than anything else, maintain a license for a hobby.

I would say that the engine that is fueling the economy—small business in this country—right now has more fears and reservations about the activities of this Government and what is coming down not only in taxes, not only in the taxes that were retroactively passed a year ago, but now are doing business with their CPA's and finding out that their future may be on the line and they might make it on that dreaded endangered species list.

I thank my friend from Wyoming.

I yield the floor.

Mr. WALLOP. Mr. President, I yield 7 minutes to the Senator from Oklahoma.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma is recognized for 7 minutes.

Mr. NICKLES. Mr. President, I thank my friend and colleague from Wyoming.

I wish to compliment Senator WALLOP for his statement and also Senator BURNS for his statement. I cannot help but think, when I listen to the Senator from Montana and he talks about changing the baseline, that he is really saying the Federal Government has a baseline that has built-in escalating spending. That does not happen in the businesses in Montana nor in Oklahoma nor in 99 percent of all the businesses in America or in families. When they use budgets, they say what are we spending this year? What are the actual dollars this year? And they use that as a baseline, not what is anticipated growth, expected growth. That is not the case with the Federal Government. That is very unfortunate.

So I compliment my friend from Montana for saying that we should have some common sense budget reform, and we have not seen that yet.

Mr. President, I want to address a couple of things concerning the President's budget. One is a lot of the rhetoric that we have heard from various administration officials.

I serve on the Budget Committee, and I have heard people taking great claim for the deficit that is coming down. They are saying this administration is responsible for it largely as a result of the deficit reduction package that passed last year. They incorrectly state it is the largest deficit reduction package in history. CBO says that is not the case. CBO says 433, not 3,500.

I think it is important we talk about facts. CBO says in the deficit reduction package that there are over $2 in taxes for every $1 of spending cuts. I continually hear people in the administration say it had more in spending cuts than it had in tax increases. That is not the case.

Mr. President, there is CBO's estimates that the deficit for 1995 will be $113 billion less than what they said it would be a year ago. I think it is important that we know why that is. That is $113 billion less in debt increase. All of us applaud that. Where did it come from? Did it come from the deficit package last year? Part of it. Did it come from spending cuts? None of it.

I think that is important to know. We have $113 billion. CBO now says that we are going to have a smaller debt increase than anticipated 1 year ago. That is a significant reduction. Where did that come from?

Mr. President, I will insert this in the RECORD for my colleagues because

we have done this not only for 1995, but for 1996, 1997, and for 1998.

CBO says $5 billion will come from spending cuts. I said none of it from spending cuts. But CBO did not know we were going to pass so-called urgent disaster relief. All of that was off budget. All of that was added to debt. That more than compensates for the $5 billion in spending cuts that CBO was saying was in this package. Forty-six billion dollars of it was taxes increases.

I do not make any bones about that. We did pass that. I give President Clinton credit for it. Forty-six billion dollars of the $113 billion was tax increases. The balance of it, $2 billion for debt service, $15 billion for economic changes, and $45 billion for technical and others. That means we are spending less on S&L bailouts and other assumptions.

The economy is doing better than anticipated, but not through changes made by this administration or by this Congress. This Congress either raises taxes or spends money. That total amount of effort through those two things, all of it was done on the tax increase side of it. None of it was done on the spending cuts.

As a matter of fact, if you look at this administration and compare CBO's number for 1993, how much did we have in spending cuts for deficit reduction in 1993? Zero. Actually, we had a $4 billion increase in spending over the baseline. How much in 1994? How many billions of dollars in spending cuts did we have in 1994? None. Actually, we had another $4 billion over baseline. We did have $28 billion in taxes increases.

So if you look at this administration for the first 2 or 3 years, in 1993 there were no spending cuts. In 1994 there were no spending cuts. We did have some tax increases, and in 1995, again, no spending cuts. All on the tax increase side. And the majority of the so-called deficit reduction was not through either spending changes or tax increases. The majority of it was reestimations done by CBO.

I just want to make these facts known. These are not DON NICKLES' facts, these are not DON NICKLES' assumptions, this is the information that came from the Congressional Budget Office.

So my colleagues can look and see. Well, if the deficit is coming down, and certainly it is significantly less this year, projected for 1995—I say this year, but we are talking 1995 budget—at $171 billion. That is a significant reduction. I want my colleagues to know that all of that deficit reduction is in the form of tax increases or reestimates by CBO. Not one dime comes from a spending cut.

I know my colleagues have heard the President and others taking great claim that, well, they are proposing over 150 different spending cuts or terminations. President Bush proposed over 220. What is not often said in the same statement is that the President is proposing something like $126.5 billion in spending increases over the baseline for the years 1995 through 1999—a $126 billion increase over and above inflation. These are new spending programs.

I am going to insert this into the RECORD which details this. Whether you are talking about the crime bill, Head Start, housing vouchers—I do not know if my colleagues are aware of another $10 billion in housing vouchers—NIH, another $7.6 billion in authority, $10.5 billion in outlays; title I education, $5.17 billion in authority; National Service, $5 billion; dislocated workers, $4.2 billion in budget authority, $5.5 billion in outlays; Goals 2000, another $4.2 billion in budget authority and $3.6 billion in outlays.

I could go on and on. It totals $126 billion of new spending over and above the baseline, which already has inflation built into it.

The Senator from Montana said we should not have an inflated baseline. If you do that for 4 or 5 years, you have an escalated spending curve. He said we should use last year's real numbers. He is exactly right. This $126 billion in new spending is over and above the baseline.

My point is, Mr. President, that the so-called deficit reduction we have heard so many great things about is a result of President Clinton's largest tax increase in history and is a result of reestimations by the Congressional Budget Office.

I ask unanimous consent to have the two tables printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SOURCE OF DEFICIT CHANGE SINCE PRESIDENT CLINTON TOOK OFFICE

[In billions of dollars]

	Fiscal year 1993		Fiscal year 1994		Fiscal year 1995		Fiscal year 1996		Fiscal year 1997		Fiscal year 1998		Total 1993–98	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
CBO deficit baseline (January 1993)	310		291		284		287		319		357		1,848	
CBO deficit baseline (January 1994)	255		223		171		166		182		180		1,177	
Deficit change	(55)		(68)		(113)		(121)		(137)		(177)		(671)	
Sources of deficit change:														
Spending cuts [1]	4	−7	4	−6	(5)	4	(20)	17	(39)	28	(56)	32	(112)	17
Tax increases [2]	0	0	(28)	41	(46)	41	(56)	46	(66)	48	(67)	38	(263)	39
Debt service	0	0	(1)	1	(2)	2	(7)	6	(13)	9	(20)	11	(43)	6
Economic changes	0	0	(13)	19	(15)	13	(12)	10	(14)	10	(25)	14	(79)	12
Technical and other [3]	(59)	107	(31)	46	(45)	40	(27)	22	(5)	4	(9)	5	(176)	26
Total	(55)	100	(68)	100	(113)	100	(121)	100	(137)	100	(177)	100	(671)	100

[1] OBRA 1993 discretionary and mandatory spending cuts minus higher outlays for emergency unemployment compensation and supplemental appropriations for flood relief.
[2] OBRA 1993 tax increases.
[3] Technical reestimates (deposit insurance, revenues, and medicare/medicaid) and OBRA 1993 debt service savings.

Note.—Details may not add due to rounding.

Sources: CBO January 1993 Report, CBO September 1993 Report, CBO January 1994 Report.

NEW SPENDING IN THE CLINTON BUDGET PLAN, INCREASES ABOVE 1994 LEVELS

[In billions of dollars]

	1995	1996	1997	1998	1999	Total
Crime bill initiatives:						
Budget authority	2.466	4.333	5.049	5.553	6.581	23.982
Outlays	0.736	2.324	3.925	4.982	6.449	18.416
Head Start:						
Budget authority	0.700	1.400	2.100	2.800	3.500	10.500
Outlays	0.463	1.204	1.872	2.567	3.266	9.372
Housing vouchers:						
Budget authority	1.339	1.408	1.478	2.658	3.138	10.021
Outlays	0.456	1.003	1.633	2.301	3.064	8.457
NIH:						
Budget authority	0.517	0.999	1.501	2.024	2.569	7.610
Outlays	0.758	1.429	2.118	2.820	3.343	10.468
Title 1 education:						
Budget authority	0.667	0.909	1.152	1.397	1.642	5.767

NEW SPENDING IN THE CLINTON BUDGET PLAN, INCREASES ABOVE 1994 LEVELS—Continued

[In billions of dollars]

	1995	1996	1997	1998	1999	Total
Outlays	0.029	0.583	0.899	1.151	1.395	4.057
National service:						
Budget authority	0.275	0.784	1.012	1.285	1.610	4.966
Outlays	0.165	0.504	0.908	1.189	1.468	4.234
Dislocated workers:						
Budget authority	0.347	0.746	1.047	1.047	1.095	4.282
Outlays	0.415	0.797	1.184	1.497	1.594	5.487
WIC:						
Budget authority	0.354	0.704	0.956	1.035	1.184	4.233
Outlays	0.316	0.674	0.925	1.017	1.161	4.093
Goals 2000:						
Budget authority	0.595	0.895	0.895	0.895	0.895	4.175
Outlays	0.141	0.605	0.916	0.981	0.987	3.630
NIST growth:						
Budget authority	0.415	0.569	0.859	0.887	0.902	3.632
Outlays	0.157	0.411	0.687	0.887	0.986	3.128
IRS tax modification:						
Budget authority	0.295	0.803	0.841	0.787	0.610	3.336
Outlays	0.244	0.671	0.829	0.849	0.718	3.311
SSI processing:						
Budget authority	0.327	0.156	0.668	0.743	0.862	2.756
Outlays	0.371	0.516	0.700	1.046	1.145	3.778
Highways:						
Budget authority	0.323	0.323	0.168	0.168	0.168	1.150
Outlays	0.621	1.475	1.767	1.767	1.846	7.476
Homeless programs:						
Budget authority	0.427	0.177	0.177	0.177	0.177	1.135
Outlays	0.286	0.408	0.676	0.933	1.072	3.375
All other increases:						
Budget authority	5.809	7.087	8.034	8.609	9.438	38.977
Outlays	3.019	6.435	8.372	9.871	10.870	38.567
Total:						
Budget authority	14.856	21.293	25.937	30.065	34.371	126.522
Outlays	8.177	19.039	27.411	33.858	39.364	127.849

Mr. WALLOP addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Wyoming is recognized.

Mr. WALLOP. I would like to direct a few questions through the Chair to the Senator from Oklahoma.

One, is it not the case that President Clinton said we were going to have honest figures for a change and we were going to use CBO figures?

Mr. NICKLES. The Senator from Wyoming is exactly correct. That is one of the reasons I felt it was important to show that CBO says here is where the deficit reduction figures are coming from, and that there are no spending cuts in the first 3 years of this administration.

Mr. WALLOP. So this is what we are hearing from downtown, despite the credibility given by the President to CBO in its first State of the Union?

Mr. NICKLES. The Senator is exactly correct.

Mr. WALLOP. Is it not also true that, whether we use OMB or CBO's figures, the deficit begins to rise dramatically after 1996?

Mr. NICKLES. The Senator is exactly right. Not only that, most people are not aware of this, but in that time period, the next 5 years, we are adding $1.3 trillion to the national debt. Even though the deficit declined, according to CBO, for a year or two, it continues to escalate. Every year, we are adding hundreds of billions of dollars to the national debt.

Mr. WALLOP. Is it not also the case that at no time within this Presidency is the debt decreasing; that it continues to increase over the 5-year budget period? We often get confused with the concepts of deficit and debt. When we discuss declining deficits, aren't we only discussing the decrease in the size of the increase in the debt, but not the size of the debt itself?

Mr. NICKLES. The Senator is exactly right. The national debt stands at $4.1 trillion, and it will climb to almost $6 trillion in the next few years. That is without calculating many of the new, expensive entitlements this administration has proposed, such as subsidizing—the Federal Government picking up 80 percent of the health retirement costs for people retiring between ages 55 and 65—and massive new subsidies for businesses, and so on, in their health care proposal. Those will explode in the future years.

THE BUDGET

Mr. WALLOP. Mr. President, in his budget message to Congress and in his State of the Union Address, Clinton has painted a very rosy picture of the U.S. economy. He has said that investment is up; real investment in equipment grew 7 times as fast in 1993 as over the preceding 4 years; mortgage rates are at their lowest levels in decades; nearly 2 million more people are working than were working a year ago; and the deficit is expected to decline.

Clinton was lucky. He was the chief beneficiary of low interest rates, corporate restructuring, and a recovery that began long before he took office.

In fact, GAO just this Friday found that the lower than estimated budget deficit for fiscal year 1993 was due to lower than expected outlays for deposit insurance programs.

If Clinton wants to claim credit for this rosy economic picture, that's certainly his prerogative. Presidents take credit for the good news and are held responsible for the bad.

But what needs to be made clear is that this economic story is far from complete. Job numbers are nowhere as strong as they should be. And consumer confidence is weak.

Just this Sunday, buried in the business section of the Washington Post, was a report of a poll conducted by Money magazine which found that many households remain concerned about their finances and future job prospects. The survey, conducted in October and November, found that few Americans were optimistic about the economy, despite signs of its improvement; 42 percent of the 2,154 people polled thought the economy would worsen in 1994, while only 27 percent thought it would improve. Is this the growing economic confidence the President is so quick to tout?

The job numbers show that job creation is underperforming the growth of the economy. This means that although output [GDP] is growing, employers are not adding new employees to the extent suggested by the increased growth rates. Instead employers have increased workweeks and hired temporary help where necessary.

In 1993, part-time and temporary employment increased by 6 percent while full-time employment only increased by 1 to 1.5 percent.

Average weekly hours for full-time workers are at very high levels—over 41 hours per week with overtime. However, real average hourly earnings have not changed. Average incomes remain stagnant.

For all of the administration's criticism of the Reagan years, job growth during those years was significantly higher than job growth currently.

Let us compare job creation during comparable business cycles—which in

this case is the second calendar year of economic expansion. In 1993, 2 million jobs were created. In 1984, 4 million jobs were created.

In 1984, an average of 300,000 jobs per month were created. In January, 1994 only 62,000 jobs were created.

But what about economic growth? The current robust economy is far from surprising given the timing of Clinton's tax increases, the passage of NAFTA, and the success of recent monetary policy, according to investment consultant Art Laffer.

However, Laffer has found that historically, in periods where there are expectations of rising tax rates, rising interest rates—the Fed just indicated it would be raising short-term rates again—and rising oil prices, taxpayers will advance their income—thus creating a false prosperity. "Once the tax rate increases and other anticipated events finally take effect, however, the economy will stop dead in its tracks, leaving growth well below the historical post-war average," said Laffer.

Even CBO, in its economic and budget outlook 1995–99, recognized that Clinton's tax increases would depress economic activity and slow economic growth. That is why they only predict a rate of growth of between 2.6 and 2.9 percent. And these rates do not even take into consideration the adverse effects that health care reform could have on economic growth.

Let us not forget that the impact of Clinton's tax increases have yet to be felt. Businesses won't pay estimated tax payments until mid-March, and individual taxes don't come due until mid-April. I urge my colleagues to read an article in the Washington Post by James Glassman, dated January 28, which is entitled "If the Rich Do Not Get Richer, Can the Economy Thrive?" In that article Glassman nominates taxes for the sleeper issue of 1994. He is quick to point out that we haven't really heard from the tax side yet.

And what about the world economy? Even CBO is concerned if the Japanese or Germany economies fail to recover—because our export market will be further weakened and could restrict economic growth.

Why should the American people be willing to accept mediocre growth rates—a growth rate that averages on or below the average of the post-World War II economy? What about the 4-plus percent growth rates of the 1980's? The rate of growth of GDP in the second calendar year of economic expansion in 1984 was 6.2 percent—or more than twice the current expected growth rate for 1994.

Why must the American people settle for so much less? Should we not be promoting pro-growth initiatives? Clinton himself said during the State of the Union that:

Many Americans still haven't felt the impact of what we've done. The recovery still has not touched every community or created enough jobs. Incomes are still stagnant. * * * Let us resolve to continue the journey of renewal, to create more and better jobs.

Well, that is what we should be doing. We need to be finding ways to promote economic growth, not stifle it. To create high paying and stable jobs, not temporary and part-time work.

Instead of pouring money into new spending programs that are supposed to retrain and better educate workers, we should be making sure that there will be jobs available for these people to have.

Higher taxes, more regulations, and health care are all combining to drain the resources of small businesses—the very engine of sustained economic growth. Instead of placing more burdens on employers, we should be looking for ways to lift these burdens to create more jobs.

As rosy as the economy may seem today, we should not forget that it can and will get worse again some day. We should take action now, when the economy seems strong, then when it is too late to react.

I ask unanimous consent that two articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post; Jan. 28, 1994]

IF THE RICH DON'T GET RICHER, CAN THE ECONOMY THRIVE?

(By James K. Glassman)

Practically everyone is now predicting that the U.S. economy will hum along nicely in 1994, with 3 percent or 4 percent growth. That's got me worried. Just when the experts are convinced that things are going well, a sleeper wakes up and wrecks the party.

My candidate for Sleeper of 1994 is taxes. Specifically, the big increase in income taxes on the rich that was approved last year.

While the tax hike was retroactive to Jan. 1, 1993, it started to take cash out of the pockets of rich folks only this month—through higher withholding.

Then, on April 15, the big bill will come due, both for estimated taxes for the first quarter of 1994 and for total taxes for the full year of 1993.

The question is: Will the diversion of these tens of billions of dollars—which used to go to private investment and consumption and which will now go to the federal government—slow down the recovery?

This week, I asked a lot of the usual Republican suspects this question. To my surprise, they weren't particularly interested. Certainly, they weren't squawking about the tax hikes as they were during the debate last summer over President Clinton's budget.

Apparently, conservatives have bigger things on their minds, issues such as family values.

This is a bad sign. When it comes to the economy, it's what you aren't worried about that bites you.

Even Jude Wanniski, who in 1978 wrote a book called "The Way the World Works," arguing that taxes make or break economies, says he's much more concerned about the health care plan and monetary policy.

"A stable dollar is so much more important that a small increase in taxes," he said. Small increase?

The Congressional Budget Office estimates that families with taxable incomes of more than $200,000 will pay 17 percent more in taxes this April.

And, using the new tax tables I calculate that typical withholding taxes for a corporate executive making $360,000 a year will go up 14 percent for 1994.

The top tax rate on married couples filing jointly with taxable income of more than $140,000 (and individuals making more than $115,000) goes from 31 percent to 36 percent. The rate on couples with taxable income over $250,000 goes from 31 percent to 39.6 percent.

. . . In other words, for every additional $1,000 they earn those in the very top bracket will pay Uncle Sam $396 instead of $310—an increase of 28 percent.

And that doesn't even count the increase in the Medicare tax, which takes another $2,400 a year out of the pocket of a lawyer making $300,000.

Or the phase out of deductions, which effectively boost the 36 percent bracket to 41 percent. Or the increase in the alternative minimum tax.

Please understand. I'm not shedding tears over the plight of these rich people. They'll manage. The issue is whether higher taxes on the rich will affect the economy as a whole. And the answer is that no one knows.

But you don't have to be a supply-side ideologue to recognize that people can't spend money they don't have.

For example, an article earlier this month in the Wall Street Journal cited copious cases of rich people who are cutting back on consuming and investing because of the tax hike.

Alan Graham, head of vascular surgery at New Jersey medical school, was quoted as saying his taxes will rise by $23,000. As a result, "We will put off the $30,000 addition to the house we had planned to begin this spring, and I will cut back by $6,000 or $7,000 the money I put into my retirement plan."

But can taxes on the few affect the many? President Clinton emphasized in his State of the Union speech Tuesday that "Only the top 1—yes, listen—only the top 1.2 percent of Americans, as I said all along, will face higher income tax rates."

Correct. But in an economy like ours, where wealth is distributed in such a lopsided fashion, the top 1 percent of Americans have an enormous effect on investment and consumption.

This year, the CBO projects, a family of four in the top 1 percent will make a minimum of $333,000.

That's more than eight times what the average American family of four will make.

Currently, the top 1 percent of American earners pay an astounding 25 percent of all individual income taxes; the top 5 percent pay 44 percent.

After they pay for necessities and indulgences, rich families have money left over for significant investment. Average families don't.

And our low rate of capital formation (less then half that of Japan) is probably this country's most difficult economic problem. Higher taxes make saving less attractive—for two reasons. First, the money's not there to save. Second, the return on investment drops—in this case by 28 percent for the very rich.

Ultimately, that chain of events can mean fewer jobs for the not-so-rich.

"They're wounding the geese that lay the golden eggs," says Lawrence Kudlow, chief

economist of Bear Stearns & Co., Inc., and a former OMB official in the Reagan administration.

Kudlow is one of the few economists of any political bent who seems genuinely worried about the higher tax rates.

He predicts that investment will suffer, especially in the second half of the year. One result may be inflation, since firms will lack the capital to expand.

The Clinton administration sees the picture differently: Taxes on the rich will bring in $100 billion or so over the next five years, thereby trimming the deficit. The prospect of deficit reduction cheers the market, thereby pushing down interest rates.

The beneficial effect of lower interest rates on investment is more than enough to counteract any "fiscal drag" caused by higher taxes.

That's the way it was explained to me the day after the election by Roger Altman, now deputy secretary of the Treasury.

And that's the way it has worked out. So far, at least. But we haven't really heard from the tax side yet.

[From the Washington Post, Feb. 20, 1994]

POLL FINDS WORRIES ABOUT FINANCES, JOBS

NEW YORK.—Few Americans are optimistic about the economy this year, despite its signs of improvement, and most believe the country is in a state of decline, Money magazine said in a survey released last week.

The magazine's ninth annual "Americans & Their Money" poll revealed many households are concerned about their finances, along with future job prospects, even though the economy appears on the mend.

Based on recent signs of recovery, government and private forecasters predict the economy, as measured by the gross domestic product, will grow by 3.1 percent this year and 2.8 percent in 1995.

Yet 42 percent of the 2,154 poll respondents, who were surveyed by Money in October and November, thought the economy would worsen in 1994. Only 27 percent believed it would improve.

That's a marked turnaround from the 1992 survey in which 14 percent predicted the economy would worsen and 56 percent said it would improve.

More respondents also felt the economy still was in a recession rather than a recovery—45 percent vs. 40 percent—while 15 percent said the economy was at the beginning of a depression. The 1992 poll had similar results.

Perhaps because of their economic gloom, three out of four respondents reported trimming their expenses in the past year. They also said they intended to save or invest a larger portion of pretax income in 1994—7.6 percent vs. 5.9 percent in 1993.

Mr. WALLOP. Mr. President, I yield 7 minutes to the Senator from New Hampshire.

THE PRESIDENT'S BUDGET

Mr. GREGG. I thank the Senator. I want to commend the Senator from Oklahoma on his evaluation of the numbers as this budget goes forward, with the increased spending which is in this budget, and for his very fine assessment of those numbers. And I would like to join in expressing the concern that I think is generally held on our side of the aisle that this budget has some very significant shortcomings in it, not only in the projection of what it is going to spend and the deficits which it creates, but in what it does not talk about and what it does not include.

If you look at this budget, it is really like a large piece of swiss cheese, relative to the number of major spending items which are not accounted for yet, which we know are coming. Thus, when this budget talks in terms of its bottom line, it is a bottom line, basically, without a hard number to it. Even the proposals which we have heard here and the discussions we have heard here about the rather gigantic amount of money which is going to be added to the Federal debt over the next 5 years is a significant understatement, if you look at the items which are clearly not included within this budget, which we know are going to have to be paid for. Let us talk about a few of those. These are the President's ideas.

The items left out are items being put forth by the President, which he already said he is going to pursue, but which have not been specifically included in the budget. You can begin with a fairly technical item, but it is going to be a big-cost item to us as a country, and that is the implementation of GATT. We have signed the agreement. We know it is going to go forward and cost us $11 billion. There is no accounting for that in this budget.

We can go to the President's proposals on welfare reform. His own estimates from his own people in the HHS are that the welfare reform package he will bring forth will cost us somewhere in the vicinity of $7 billion; again, it is not reflected in this budget. Go to his Defense Department numbers. His former Secretary of Defense, Mr. Aspin, through the Bottom-Up Review process, has said that the budget in the Defense Department is $20 billion short. It is not accounted for anywhere in this budget.

You can go to his proposals in Superfund: $2.5 billion to $3 billion is going to have to be added in order to address the Superfund accounts. It is not accounted for anywhere in this budget. And then, one of the more significant items—although the last few that I have outlined are fairly significant when you add them all up—is the issue of the cost of his health care proposal.

The CBO, which the President said was going to be the independent scorer for the purposes of developing a budget in the congressional process, and to which he was going to look as the fair arbiter of numbers, has said that his health care package will not save the $53 or $56 billion that is presently estimated and accounted for in the budget, but will actually cost an additional $78 billion. That is a shift of $131 billion, or $130 billion, approximately, which is again not accounted for in the President's budget.

If you take all those numbers together, you are up to $200 billion, which the President's people are saying they are going to spend, which is going to occur as a result of action that the President is proposing, yet which the budget the President sent up here does not account for. It is not a very accurate document, therefore, and one which is suspect not only for that reason but for a number of other reasons.

Probably the most significant reason beyond the $200 billion which I have just outlined is, again, the issue of health care. The CBO has stated that—and, again, they have been chosen as the fair arbiter here by the President—in order to accurately reflect what the health care package has in it, the budget and its impact on the budget must reflect the mandated premium which is in the President's health care package.

Now that mandated premium is a huge number, and on the CBO's assessment it should be accounted for as a receipt of the Federal Government on the budget. The cost of paying for the premiums through the health care alliances should be accounted for on the President's budget as an expenditure of the Federal Government. And yet they are not there.

That number may be as high as $500 billion and yet it is not accounted for in the budget. Just a great big nonnumber as if it does not exist. And yet we have this budget sent up by the President and praised by the national media as a responsible document that has effectively addressed funding mechanisms and the accounting for the Federal Government. It does not.

There are $200 billion in specific lapses in Federal programs which have been proposed by the President. It has hundreds of billions of dollars of lapses in failing to mention the issue of the mandated premium.

In addition, there are, as was alluded to by the Senator from Oklahoma, six major new entitlements proposed by this administration—six. That makes them the entitlement king of all times. That puts them in a class which even Franklin Roosevelt and Lyndon Johnson could not have obtained, sort of the Babe Ruth of entitlement creation—six major new entitlements proposed by this administration.

There is the long-term care entitlement, there is the drug entitlement, there is the early retirement entitlement, there is the small business entitlement, there is the uninsured entitlement, and there is now something called the job training entitlement.

If you take all six of these entitlements and try to get a handle on how much they cost, you end up with some astronomical numbers in the outyears. Of course, the President's budget only runs for 5 years. That is reasonable. That is the way we have done it around here. But when you start talking about when these new entitlements which

this administration is proposing kick in and start to fully aggravate the deficit——

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. GREGG. Thank you, Mr. President.

I ask for another 30 seconds.

Mr. LOTT. I yield the Senator another 1 minute.

The ACTING PRESIDENT pro tempore. The Senator is recognized for an additional minute.

Mr. GREGG. I thank the Senator from Mississippi.

If you look at what the practical effects of these six major new entitlements are in the Federal budget in the outyears, they are catastrophic, so catastrophic, that the President's own budget, when he sent it up this year, tells us—and this is the President's budget—that children born in 1994 will pay 82 percent of their earnings over their life to the Government—82 percent. And that is the President's estimate on what the cost is of Government as a result of the outyear effect of what we are doing today in the area of spending and creating new entitlements.

So, Mr. President, we have serious problems here, and the President's budget does not address them. And the problem is that we are not controlling spending, but that in fact under the President's budget we are adding a lot of new spending and we are not accounting for it.

I yield back my time.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. LOTT. Mr. President, under the time under the special order reserved for Senator WALLOP, I yield 3 minutes to the Senator from Idaho.

The ACTING PRESIDENT pro tempore. The Senator from Idaho [Mr. CRAIG] is recognized for 3 minutes.

THE BALANCED BUDGET CONSTITUTIONAL AMENDMENT

Mr. CRAIG. Mr. President, let me say that the Senator from New Hampshire has spoken very clearly about the frustrations many of us have or are now beginning to have when we look at the President's budget and try to figure out what it means.

Let me express another frustration that certainly will be part of the debate that will occur here on the floor of this Senate over the next week as we debate a constitutional amendment to balance the budget, and that is where does that all fit with this President and this administration and their budget and how can we possibly make that work?

It is my understanding that there was an interesting internal debate down at the White House. The President's personal adviser said, "Mr. President, you ought to be for a balanced budget," and yet OMB weighed in and said, "You cannot be for a balanced budget."

Finally, Laura Tyson, the chairwoman of the President's Economic Advisers came up and said "We are not for a balanced budget." So when all of these administration types paraded out in the last week to say we are against a balanced budget, what they were doing was saying, "My salary depends on a balanced budget. If my boss had been for it, I would be for it."

What kind of fiscal commitment is that to the long-term economic stability of this country? It is not what I believe, it is who I do my bidding for.

That is why the debate and the vote that will occur on a constitutional amendment for a balanced budget becomes critical in the coming days. Who do we do our bidding for?

Well, I hope that this Senate starts doing its bidding for the taxpayers of this country, because what the battle will be here on the floor in the coming days will be who holds the power? Because we know that money is power, whether it is the personal money in your pocketbook, your checking account, or whether it is the ability of the politician to render to his or her constituency the largess of the Public Treasury, that is power.

I am one who believes that power in this representative republic must rest with the people. That is why Thomas Jefferson believed in it and said we ought to have a balanced budget requirement or, in his words, "disallow the ability to borrow."

And then we heard the Senator from New Hampshire say that the President's own budget people, when crunching those numbers, willingly admit that a child born in 1994 will pay 82 percent of his or her personal income to Government. Where does that put that young person 20 years from today in the prime of their productive years? It makes them the status of a Third World working person.

How can this country, how could its leaders responsibly argue the budget process today and the one that the President has handed us and say that is the direction this country ought to head in? That is the future we offer the young people of America.

Let us debate the balanced budget amendment. Let us look at the context of the President's budget. I hope that the two-thirds, the 67 Senators that are required to send the balanced budget resolution to the citizens of this country, get enough political backbone to vote yes so that we can begin, over the course of a 6-year timeframe, to ensure that the young people of today will have a productive future equal to or greater than the one we have had the opportunity to experience.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

The Senator from Mississippi.

Mr. LOTT. I yield myself 5 minutes under the special order.

The ACTING PRESIDENT pro tempore. The Senator is recognized for 5 minutes.

THE PRESIDENT'S BUDGET

Mr. LOTT. Mr. President, about 3 weeks ago, with a lot of press fanfare, we received the President's budget. As a member of the Senate Budget Committee I was very interested in getting the details of this budget that was going to reduce the deficit and change priorities.

Well, I have been startled by many of the things that I found. In fact, I found that it is pretty much the same thing that we have seen year after year in this administration and previous administrations. What that is is an increasing deficit that adds to the debt every year.

There is no balanced budget in sight any year as far as the eye can see or any economist could possibly dream.

Let me give you some startling statistics. The Federal debt at the end of fiscal year 1993 was $4.35 trillion. The projected Federal debt at the end of 1997 will be $5.65 trillion. The projected rate of growth in the national debt for the next 6 years—fiscal year 1994 to 1999—will be $1.9 trillion. The deficit may not go up as much this year as it did last year, but the deficit continues to go up every year. The debt continues to grow every year. So over these next 5 years, we will see an increase of about $1.9 trillion on the debt.

Obviously, enough has not been done. The net interest payments will be $343 billion by the year 2004. So, Mr. President, we have a lot of work to do.

We have heard a lot about what is in the President's budget. We have heard talk about changing priorities. Let me give you just one example of the type of change in priorities we are talking about.

It is getting to be more and more common knowledge that our national parks are deteriorating all over this country. I saw a program on television about the tomb of former President Grant is literally corroding and falling down. It is not being kept up. I know that is true in parks in my district.

Yet in the President's budget, 404 personnel were cut in the National Park Service, reducing the number that looks after our parks across this country, but 359 new lawyers were added to the Secretary of the Interior's office.

Now that is all we need—more lawyers at the Interior Department and fewer people to look after the national parks, those great treasures we have in this country.

But what really concerns me, and what I want to talk about this morning, is what is not in this budget. We have heard promised over the past few

weeks a number of things: health care reform, welfare reform, a GATT agreement—all of these are well and good—funding for the Bottom-Up Review of the Department of Defense, a new entitlement program to assist dislocated workers, and more policemen on the streets, more prisons, tougher sentences, and deficit reduction.

I believe we would all support a number of these items, if not all of them, in some form or another. But the problem is that the President has said one thing and done another. The budget he sent to the Congress that we are reviewing in the Senate Budget Committee does not include complete funding for any of these programs which I just mentioned—either none at all or incomplete funding. Despite the fact the budget is 4 volumes, 2,013 pages, and weighs 6 pounds, it is a porous document. If all of these new programs are enacted with no new offsets, the budget will have significantly greater deficits—probably wiping out what is now being claimed as a great reduction in the deficit for this next year. We see the deficit projections coming down because many of the bigger programs we are going to be dealing with this year are not included.

There has been much talk about hard choices in the budget, about how we are cutting spending. What people do not understand is that the spending cut in Washington is not a spending cut that most people would think about. Each year we start from last year's actual spending plus an additional inflation factor. This, then, becomes the so-called baseline. In other words, we allow for an increase before we ever start figuring what the spending is going to be that year. Any reduction in the inflated baseline is considered a cut. In reality, the budget proposed by the President proposes higher spending in each of the next 5 years.

The budget calls for increased spending on various programs by $127.8 billion over 5 years, and Federal outlays will increase by 17.1 percent from fiscal year 1994 to 1998. So you see we are getting a lot of double talk here in Washington, talking about the deficit reduction every year. That is one of the major reasons why I am for the constitutional amendment for a balanced budget proposed by Senator CRAIG of Idaho and Senator SIMON of Illinois, that we are debating at this very time, because we have gotten to be very expert at using the numbers to make them say what we want them to say. Yet the thing that is driving the deficit and the debt is that we never control spending. That is the problem; not insufficient taxes, not insufficient revenue. We even have economic growth. What we should be doing is cutting spending, controlling spending—not just in the discretionary programs that the appropriators deal with but in the entitlements. We should do a few things to encourage more growth and to allow the people to keep some of their money with their families in this country.

I do think we need the mechanism of the constitutional amendment for a balanced budget. It has been argued by some of the opponents, "well, it is just a gimmick." And then they say, "Oh, but it will cut so many programs so drastically." You cannot have it both ways. Is it a gimmick or will it really drastically cut spending?

I think we need to look further at this budget before we vote on it. I yield the remainder of my time we have on this special order to the Senator from Iowa, Senator GRASSLEY.

The ACTING PRESIDENT pro tempore. The Senator from Iowa has 3 minutes and 30 seconds.

THE BUDGET

Mr. GRASSLEY. Mr. President, the administration has recently released its fiscal year 1995 budget which shows a very rosy scenario regarding the deficit.

Unfortunately, just like a rose, the bloom has faded quickly and the petals are falling on the administration's projections regarding deficit reduction.

In the past few days since the release of the budget, several events have taken place that will substantially increase the deficit beyond the administration's projections.

These include:

CBO has estimated that the administration's health proposal will cost $73 billion over the next 5 years, not save $50 billion as the administration suggested. So that is a $123 billion increase in the deficit;

There is a gap of over $20 billion between the administration's defense budget and the Pentagon's plans;

GATT is projected to cost $11 billion over 5 years in lost tariff revenue;

The emergency supplemental added nearly $8 billion to the deficit;

Superfund restructuring is estimated to cost $3 billion.

Interest rates on Treasury bills have increased markedly from the administration's estimates. The administration estimated 10-year T-bills to be at 5.8 percent for the next 5 years. The 10-year T-bill is already over 6 percent and climbing. On top of this we still have not gotten the bill for the Department of Labor's Workforce Security Act or welfare reform.

It seems that the administration that told us to "don't stop thinking about tomorrow" abandons tomorrow when it comes to a debt that will be $6 trillion within 10 years. It is clear that we need to make greater efforts now to reduce the deficit.

I would like to take a moment and particularly focus on the gap between the administration's defense budget and what the Pentagon plans to spend.

This problem of overprogramming at the Defense Department is where spending under the 5-year defense plan [FYDP] exceeds the administration's own guidance for defense. This was a problem that I along with Senator SASSER raised often during the Reagan and Bush administration.

Now we see the Clinton administration facing the same issue. Assistant Secretary of Defense, Mr. Warner, testified before the House Armed Services Committee a couple of weeks ago that DOD's future years defense plan will not be consistent with the President's top line guidance for defense through 1999.

The DOD official stated that the defense program currently exceeds the administration's estimates by $20 billion.

During hearings of the Budget Committee, the administration has tried to portray the problem as one due to estimating inflation. I do not understand why the administration can estimate inflation for every other program in the budget, but not defense.

These defense budget blanks mask the true picture of defense spending, and the future of our Armed Forces.

I am concerned that inflation is not the only answer to this $20 billion gap. Questions have been raised whether the administration has underestimated the growth in weapon systems costs and overestimated the savings from procurement reform.

To help provide Congress the answer to these questions, I have asked Mr. Panetta to provide Congress by February 28, 1994 the estimates for the major defense appropriation accounts for the next 5 years as well as the top line of the FYDP so we will know the real answers.

The problems of reality and plans mismatch for the defense budget are just part of a deficit problem that has increased by nearly $200 billion since the administration released its budget just a few days ago.

With children born today facing an 81-percent lifetime tax rate, we must take steps now to address the deficit. Today we decide tomorrow for our children and grandchildren. We must reduce the deficit.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired. The Senator from Washington [Mr. GORTON] is recognized.

WALTER JUDD

Mr. GORTON. Mr. President, Walter Henry Judd was born in a small town in Nebraska late in the year 1898 and died last week in a suburb of Washington, DC, at the age of 95. Born to a loving and religious family, Walter Judd was educated both as a physician and as a missionary in the Congregational Church. That church sent him as a medical missionary to China in 1925,

where he served in a hospital far from the coast for some 5 years, finally driven home to the United States by the 46th attack of malaria which he caught on that mission.

Even so, after only 2 years at home, he returned to China with a new wife and served as the superintendent of a hospital for another 5 years, succoring tens of thousands of Chinese refugees from the Japanese invasion.

Driven out of China for the last time by the Japanese, he returned to the United States in the years immediately preceding World War II and devoted his entire fortune to a speaking tour through 46 States of the United States, speaking 1,400 times about the threat of isolationism and the aggression of the Japanese against the people of the Republic of China.

He was elected to the House of Representatives from Minnesota in 1942 and served in that body for some 20 years as perhaps its most eloquent warrior against both Nazi and Communist tyranny, and for freedom and liberty not only in his beloved China but in Europe as well. Helping to found the World Health Organization and organizations dealing with the welfare of children, he always, as a Member of Congress, I understand, was devoted particularly to the poor and the elderly and those without an organized voice in Congress.

Even after his defeat for an 11th term in Congress, he continued to speak out passionately for liberty all around the world and continued to speak at religious retreats, including one remembered vividly by the distinguished senior Senator from Iowa, who has just spoken. He was awarded the Presidential Medal of Freedom in 1981 by President Reagan who called him "an articulate spokesman for all those who cherish liberty."

He continued to speak, I understand, until just 5 years ago when he finally retired at the age of 90.

Mr. President, I never spoke one on one with Walter Henry Judd, but I am here not only to memorialize those elements of his life which I have briefly outlined, but to say that I was one of the hundreds of thousands of people who heard Walter Judd speak during that 2-year tour encompassing 46 States and some 1,400 audiences.

During my freshman year in high school in Evanston, IL, Walter Judd spoke to a huge student body of some 3,200 and all of the faculty in the gymnasium of that high school. While I cannot repeat to you any single line presented to us on that morning by Walter Judd, I remember to this day his speech at the outset of World War II as the most inspirational single presentation I have ever heard in my life. I believe that it, more than any other single event, inspired this Senator to a life of public service and, most particularly, to the service of liberty and the strength and pride in his own country.

I did have the ability shortly after I became a Senator to exchange letters with Walter Judd in retirement a decade or so ago and to report to him his impact on my life. I have no doubt, Mr. President, that he had a similar impact on the lives of literally thousands of people whom he never met in person. Truly an inspiration to thousands, truly a patriot, truly a servant to the cause of freedom and liberty in every corner of the world, Walter Henry Judd was a great American.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MATHEWS). Without objection, it is so ordered.

(The remarks of Mr. DODD pertaining to the introduction of S. 1860 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

TRIBUTE TO MARY WOODARD LASKER

Mr. HARKIN. Mr. President, I rise today to pay tribute to a national treasure who passed away on Monday night, Mrs. Mary Woodard Lasker. All of us who knew and loved Mary Lasker for many years were greatly saddened by the news yesterday of her death on Monday night.

History tells us that on the day that John F. Kennedy died, a tailor in New York City put a sign on the door that read "Closed due to a death in the family."

Mr. President, that is how every American who cares about saving lives through medical research feels today. We have had a death in the family. And that is what makes it so difficult.

Although most people do not know Mary Lasker, her tireless and talented promotion of medical research has saved and improved the lives of many children, husbands, wives, and parents of so many millions who never met Mary and who now, of course, will never have that great opportunity.

Right up to her death in Greenwich, CT, at the age of 93, Mary Lasker was a leading national force in the medical research community. Along with her husband, the late Dr. Albert Lasker, she created the Mary Lasker Foundation in 1942, a potent and active promoter of private-sector research. Every year, the Albert Lasker Medical Research Awards have recognized the world's most outstanding and groundbreaking medical researchers. No less than 51 of these scientists have subsequently gone on to receive the Nobel Prize.

In the 1940's, Mrs. Lasker initiated the research program of the American Cancer Society.

Thanks to Mary Lasker, we have the National Institutes of Health, the world's preeminent health research institute. She is truly the mother of the National Institutes of Health.

In 1969, President Lyndon Johnson presented her with the Medal of Freedom, the Nation's highest medal of honor for a private citizen. In 1987, the Senate and the House of Representatives authorized President Bush to strike a special gold medal in her honor in recognition of her humanitarian contributions in the area of medical research and education, urban beautification, and the fine arts.

Dr. Jonas Salk, the man who saved millions of lives with the discovery of the polio vaccine, once said, "When I think of Mary Lasker, I think of a matchmaker between science and society."

Business Week magazine called her "the Fairy Godmother of medical research."

In 1984, a center at the NIH was named in her honor, the Mary Woodard Lasker Center for Health Research and Education.

Mr. President, Mary Lasker's half century of crusading, which started with the Presidency of Franklin Roosevelt, the President who brought us Social Security and who signed into law the bill that created the National Institutes of Health, culminated with her last public appearance under the Presidency of Bill Clinton, who is going to help bring health security to all Americans. Her last public appearance was in October in New York City at the 1993 Albert Lasker Awards luncheon. The keynote address at that luncheon was given by First Lady Hillary Clinton. I suppose you could say that Mary Lasker was the last great lobbyist for medical research.

As we all know, the word "lobbyist" is sometimes considered a dirty word. It wasn't a dirty word to Mary Lasker. She once called herself a "self-employed health lobbyist."

Here is a glimpse into why she chose that profession—and a glimpse into why she made a difference.

Upon dedicating the Mary Woodard Lasker Center for Medical Research and Health Education at the NIH in 1984, Mrs. Lasker said:

> The reason I am so dedicated to medical research and have lobbied so many Congressmen and Senators is that when I was very young, I was sick a great deal and had severe infections of the ears, causing the most agonizing pain.
>
> In those days polio was still rampant and there were no antibiotics and no polio vaccines. These discoveries obviated the terrible pain and saved tens of thousands of lives. When I was about 10 years old I resolved that I would try to do something when I grew up for medical research, and this center named for me symbolizes this early resolve.

Mr. President, perhaps we can now appreciate the full extent of that resolve. Ninety-three years worth of resolve, to be exact. And although those years may be easy enough for Mary Lasker's friends to count, we will never be able to count the number of strangers' lives that were saved by her rock-solid resolve, and her unwavering courage, and her unflagging commitment to the lives and health of others.

Finally, Mr. President, no one has to guess how Mary Lasker would like us to honor her legacy. To quote just once more from her dedication of the NIH center that bears her name:

> It is the duty of everyone who receives funding from the NIH to work for and fulfill the goal of medical treatment, cure and prevention and to give this country and the world the benefit of every penny spent. Now, we must all go and continue our work.

We can honor her wishes, Mr. President, by continuing to build on the foundation for health research that she laid down. To provide a solid cornerstone for that foundation, Senator MARK HATFIELD and I are proposing a bipartisan plan for ensuring that Mary Lasker's legacy can continue.

We will be proposing a fund for health research, which I believe must be a part of whatever health care reform bill that passes this body.

We can talk all we want about how we will change the health payment structure, how these plans will be set up, and what the role of the private sector will be. But there is one element that must be included, and that is a fund for health research so we can build on what we have done in the past and move forward toward finding more cures and treatments for the ills that beset mankind.

Mr. President, I yield the floor.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Chair will indicate to the Senator from Wisconsin that morning business is about to conclude and that he should ask unanimous consent to extend it.

EXTENSION OF MORNING BUSINESS

Mr. FEINGOLD. Mr. President, I ask unanimous consent to speak for 10 minutes in morning business.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. FEINGOLD. I thank the Chair. I thank the senior Senator from Illinois who obviously has a long day ahead of him on the floor.

TRIBUTE TO THE LATE DR. HOWARD TEMIN

Mr. FEINGOLD. Mr. President, I rise today to pay tribute to the life and work of an outstanding human being—Dr. Howard Temin of the University of Wisconsin, who passed away at his home on the evening of February 9, after a long struggle with lung cancer. Dr. Temin was one of the world's foremost cancer and virology experts, winning a Nobel Prize in 1975 for his work in those areas.

Dr. Temin was the quintessential scientist. He was also a man with an enormous breadth and depth of knowledge who wore well the mantle of the Renaissance tradition. As a world traveler, he studied the history and customs of the many lands and people he visited. He was also an avid gardener and amateur botanist. He constantly surprised learned colleagues in all fields with his sophisticated knowledge of their disciplines. He was a marvelous conversationalist, but also an avid listener. And on most Saturday mornings, he could be found in his synagogue, where he delighted in learning and discussing the Torah—or Old Testament.

Howard Martin Temin was born in Philadelphia in 1934. His father was a lawyer and his mother was active in educational affairs. He became interested in biology and research at an early age by attending a summer program for high school students at the Jackson Lab in Bar Harbor, ME, and spending a summer at Philadelphia's Institute for Cancer Research. Amazingly, he published his first scientific paper at age 18.

He attended Swarthmore College, just outside Philadelphia and in a remarkable feat of prognostication, the yearbook from his senior year described him as, "one of the future giants in experimental biology."

Dr. Temin went on to earn his Ph.D. at the California Institute of Technology where he began a longtime collaboration with Prof. Renato Dulbecco. In 1960, he joined the faculty of the University of Wisconsin as a professor of biology. He began his career there as many junior professors do, in a small office in the basement under the steam pipes.

From these humble beginnings he began a lifelong exploration into the relationships between viruses and cancer. His research into viruses started with chickens. He discovered, that in fact there were only tenuous links between viruses and cancer and it was during this process that he stood one of the essential dogmas of biological science on its head.

It has always been thought that DNA, the coded molecule that carries genetic information, could produce RNA, a simpler genetic molecule, but that RNA could not produce DNA. Through his research, Dr. Temin discovered that in fact RNA could make DNA. This discovery and the discovery of reverse transcriptase, the enzyme that makes it possible for RNA to make DNA, got him on the cover of Newsweek in 1971, earned him the Nobel Prize in 1975 and sent the world of genetics spinning in an entirely new direction.

The enzyme Dr. Temin discovered is one of the most important elements of modern genetic research. It was critical to the discovery of the HIV virus and is at the core of much of the expanding biotechnology industry. Reverse transcriptase is used today in some of the most important research being done on cancer and AIDS.

It is one of the most important tools geneticists have to alter DNA and discover more about the mysteries of life and death. The enzyme has been used to create human insulin and drugs that can stop heart attacks. Reverse transcriptase has led to the saving of countless lives. Its use is a fitting and eternal legacy for Dr. Temin.

In addition to winning the Nobel Prize in 1975, with Professor Dulbecco and David Baltimore of MIT, Dr. Temin was a winner of the Albert Lasker Award, a member of the National Academy of Sciences, served on the editorial boards of several scientific journals, was a key advisor to many groups concerned with AIDS research and the development of an AIDS vaccine, and was awarded the National Medal of Science in 1992 by President George Bush.

But even with all of this fame and recognition he never lost sight of who, what or where he was. He commuted to his office by bicycle and attended community events with his friends and family. Even with all the accolades, he did his research in an unpretentious lab on the fifth floor of the McArdle Laboratory for Cancer Research on the UW campus.

He kept his Nobel Prize diploma in a desk drawer, telling a reporter in 1990, that he hoped it "would not disrupt my work." He was a tireless instructor who demanded excellence and perfection from his students and his colleagues.

One of his earliest theories that was later proved and proved again was that there was a link between cigarette smoking and certain kinds of cancer. He was an ardent antismoker and in 1975 after being presented with his Nobel Prize by Sweden's King Carl Gustav XVI, after he bowed to the king he turned to members of the audience and admonished them for smoking during the ceremony.

In 1980, he was excused from jury duty in an important trial after discovering that jurors would be allowed to smoke in the jury room during deliberations. He objected to being confined in such a small space with smokers for so long.

In 1992, Dr. Temin contracted adenocarcinoma, a form of lung cancer not related to cigarette smoking. He fought the disease valiantly for the next 2 years, while continuing his research, his teaching and his efforts to curb smoking. He died of the disease at his home in Madison on February 9. He was 59.

Dr. Temin is survived by his wife Rayla Greenberg Temin, a geneticist at the University of Wisconsin, and two daughters, Mariam Temin of San Francisco and Sarah Temin of Berkeley.

Another of the many things for which the people of Wisconsin owe Dr. Temin thanks, was that he chose to stay at the University of Wisconsin even though an entire world of opportunities lay open before him. In an age when internationally known academics and researchers are often lured away like free agent baseball players, Dr. Temin remained committed to the excellence and traditions of the University of Wisconsin. His long tenure at the university encouraged other scientists to come to Wisconsin and to stay. Our university is recognized as one of the top public institutions of higher learning in the world and the commitment of people like Dr. Temin is a big part of the reason why.

The death of Dr. Temin is a tremendous loss not only to his family and the University of Wisconsin, but to all of us. Now more than ever we could have benefited from his intellect and wise counsel as we grapple with the twin plagues of cancer and AIDS. His groundbreaking work has provided some of the most important tools for fighting these diseases and the thousands of people he instructed are now using those tools to continue his work. And yet, that work would proceed faster and all of us would feel better if we knew that Howard Temin was still riding his bicycle, thinking of new solutions to old problems and on his way back to the lab. He will be missed.

I yield the floor.

RUSSIAN SPY SCANDAL AND RUSSIAN BOSNIA SUMMIT PROPOSAL

Mr. DOLE. Mr. President, it now is clear that the Russian spy scandal is as damaging as any in United States intelligence history—it may be months, if ever, before we know how much damage was done to United States security and how many lives were lost due to the Ames' treachery. It is also clear that the United States has moved too far, too fast in assuming that changes in Russia have permanently altered the international landscape. The administration has allowed Russia to veto NATO expansion. The administration has turned a blind eye to Russian military and intelligence activity in the former Republics of the Soviet Union. Last week, the administration welcomed a Russian military role in the Balkans. Now, we learn that Russia has continued and maintained a Soviet intelligence asset in the very core of the Central Intelligence Agency—a situation known to some administration officials well before the Moscow summit.

I just guess or surmise that had we known this when we talked about foreign aid to Russia, it would not have passed. There is no doubt about it. There probably would not have been a vote for it on either side of the aisle.

Russia has tried to minimize the importance of this affair—and that is a grave mistake. Russia cannot have it both ways. If they want to pursue cold war business as usual, the American Congress and American taxpayers will not keep sending billions for aid. Russia can and should take immediate steps to correct their policies. If the security services are under the government's control, these steps could be taken immediately. In my view, such steps are a bare minimum for a recipient of massive tax dollars from the United States.

First, Russia must cease and condemn efforts to penetrate American intelligence. A clear and public assurance from President Yeltsin announcing such a policy must be made.

Second, Russia must cooperate fully with the United States in assessing the damage from this episode, including revealing what was learned from the Ames' and any other moles. Virtually all U.S. intelligence sources and methods since 1985 could have been compromised due to the sensitive position held by Mr. Ames. The least Russia can do is work with our Government to evaluate the extent of what was compromised.

Third, President Yeltsin should remove all Russian personnel from the United States involved in espionage activities, including those responsible for handling Mr. and Mrs. Ames. President Yeltsin should also publicly announce who was responsible for the Russian Republic's decision to keep the Ames file active, and dismiss all those responsible. If we are truly in a new era of cooperation with the Russian Republic, President Yeltsin should cooperate in a new way.

Many of us in Congress extended the hand of friendship to President Yeltsin's Russia—approving billions in aid and repealing outdated statutes. We did so with the expectation that cooperation would be a two-way street. It is now time for President Yeltsin to act.

The administration must give this priority attention. President Clinton should immediately dispatch the newly confirmed Deputy Secretary of State, Strobe Talbott, to Moscow to press United States concerns with President Yeltsin. Deputy Secretary Talbott, because of his long association with Russia and Russians, would make an ideal envoy. Deputy Talbott should make clear that the United States is not simply lodging a protest, but that this affair threatens the foundation of our relationship with Russia. Until a satisfactory Russian response has been achieved, President Clinton should use his executive authority to temporarily freeze United States assistance to the Russian Government. And he should announce that if any further Russian espionage activities against the United States are uncovered, an aid freeze will become permanent. In fact, I think Congress would see to that, too. Congressional and public support for aid to Russia will not endure in this environment.

Russia cannot divert attention from this travesty. Today, President Yeltsin called for a 1-day summit with the United States, Germany, France, and Great Britain on the former Yugoslavia. President Yeltsin indicated that some document could be signed that could, and I quote, "put a final end to the bloodshed."

I hope that President Clinton rejects this idea. Russia's objective seems clear: Blunt the actions of NATO and protect the gains of Serbian aggression. Russian officials have not only criticized the NATO ultimatum—which was long overdue—but, are increasingly critical of NATO. President Yeltsin has cited Russian domestic opinion in opposition to NATO's recent decision to relieve the siege of Sarajevo.

In response, the administration should communicate clearly to President Yeltsin that United States policy and NATO policy on Bosnia will not be driven by the Russian public's sympathy for the Serbs; nor will we respond to Communist-style attacks on NATO. It is ironic that Russia recently indicated its wish to join the NATO partnership for peace, and now is criticizing the very institution with which it wishes to have a closer relationship.

Mr. President, it seems to me that the last thing we need is to cut a deal with Russia and a few of our allies and impose it on Bosnia. The last thing we ought to do is impose any settlement on Bosnia. Bosnia is not a colony under the control of so-called great powers. It is a member of the United States and the victim of aggression. We should be empowering the Bosnian Government, not dismembering it and disarming its forces. We should allow the Bosnians to exercise their right to self-defense under the U.N. Charter. Moreover, I would hope that, if a settlement is reached, it will provide for a viable Bosnian state capable of defending its own borders and interests.

Some have said that reform in Russia—especially in the security policy area—is moving too slowly. The latest developments make me wonder if it was ever moving at all.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, anyone even remotely familiar with the U.S. Constitution knows that no President can spend a dime of Federal tax money that has not first been authorized and appropriated by Congress—both the House of Representatives and the U.S. Senate.

So when you hear a politician or an editor or a commentator declare that "Reagan ran up the Federal debt" or that "Bush ran it up," bear in mind that it was, and is, the constitutional duty of Congress to control Federal spending. Congress has failed miserably in that task for about 50 years.

The fiscal irresponsibility of Congress has created a Federal debt which stood at $4,540,131,894,166.17 as of the close of business yesterday, Monday, February 22. Averaged out, every man, woman, and child in America owes a share of this massive debt, and that per capita share is $17,414.42.

TRIBUTE TO MARY LASKER—A GREAT AND BELOVED LEADER IN MEDICAL RESEARCH

Mr. KENNEDY. Mr. President, the death of Mary Lasker last Monday is a great loss to the Nation. She dedicated her life and career to fighting disease and promoting medical research and better health care for the American people, and what an extraordinary job she did.

Through her remarkable commitment, she became one of the most important, influential, and beloved private citizens in medical research in the Nation's history. Millions of persons in this country and around the world have benefited from her crusade to conquer disease and enhance the quality of health care for all people in all nations.

When I first came to the Senate, I remember very clearly the advice that President Kennedy gave me. "Have lunch with medical school professors, have dinner with Nobel Prize winners, but if you really want to know about what needs to be done in medical research in America, have a talk with Mary Lasker."

Her accomplishments in advancing medical research are legendary. For half a century, the Albert and Mary Lasker Foundation has honored and funded many of the world's greatest medical researcher scientists. The Albert Lasker Medical Research Awards are known throughout the world, and rank very close to the Nobel Prize in international prestige.

In return for her tireless dedication, Mary Lasker received numerous well-deserved awards and honors herself, including the Presidential Medal of Freedom, the Nation's highest honor for a private citizen.

In 1984, she was honored by the establishment of the Mary Woodward Lasker Center for Health Education and Research at the National Institutes of Health. Indeed, the NIH would not be the world-renowned research institute it is today without the brilliant leadership of Mary Lasker.

She never lost sight of her goals or the true importance of her work. As she said at the time of the dedication of the center, in justifying the cost of medical research, "If you think research is expensive, try disease." And then she said, at the end of her address, "Thank you all for coming to this dedication—now, we must all go and continue our work."

The advances and discoveries generated by Mary Lasker's genius and dedication will continue to improve the lives of generations to come. She was an inspiration to all of us who knew her and who had the privilege of working with her. She was a symbol of hope to people everywhere, and we are saddened by her loss.

Mr. President, I ask unanimous consent that the obituary from this morning's Boston Globe and a series of other articles on Mary Lasker may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Boston Globe, Feb. 23, 1994]

MARY W. LASKER, 93; COFOUNDED LASKER MEDICAL RESEARCH AWARD

(By Tom Long)

Mary (Woodard) Lasker, a philanthropist once described by polio researcher Jonas Salk as "a match maker between science and society," died of heart failure Monday in her home in Greenwich, Conn. She was 93.

Mrs. Lasker, along with her husband, the late Albert D. Lasker, founded the Albert and Mary Lasker Foundation and established the Albert Lasker Medical Research Awards.

The Lasker Awards are given to honor medical, biological or clinical work that leads to significant lessening of a major cause of disability or death. Since the Lasker Awards were established in 1944, they have become one of the most prestigious in the medical profession and more than 40 Lasker winners have gone on to win the Nobel Prize.

The daughter of a well-to-do banker, Mrs. Lasker was born in Watertown, Wis. She attended the University of Wisconsin and graduated from Radcliffe College where she majored in art history.

Upon graduation, she moved to New York City, where she sold paintings for gallery owner Paul Reinhardt, whom she married in 1926. The couple divorced in 1934.

In 1940, she married millionaire Chicago advertising man Albert D. Lasker.

In a 1965 interview in Time Magazine, Mrs. Lasker recalled that, early in their courtship, when Mr. Lasker asked her what she most wanted to do in life, she responded, "I want to push the idea of health insurance. Most people can't afford adequate medical care. And I want to help promote research in cancer, tuberculosis and other major diseases.

Mrs. Lasker persuaded her husband to devote his promotional skill and some of his fortune to public health.

In the late 1940s, the couple initiated the research program at the American Cancer Society and later turned their attention to increasing financial support of the National Institutes of Health.

Mr. Lasker died of cancer in 1952 and willed half his estate, estimated in excess of $11 million, to the foundation that bears his name.

After his death, Mrs. Lasker continued her fight against what she called, "the major cripplers and killers: heart disease, cancer and stroke."

She was a driving force behind the creation of the National Cancer Institute and several other health organizations.

In a 1974 interview with the New York Times, the soft-spoken philanthropist said her campaign for public health was fueled by frustration. "I'm very good on what we don't know in medicine," she said. "It's not the will of God, it's the dumbness of man, and the lack of enterprise and money that's the problem.

In 1984, the National Institutes of Health named the Mary Woodard Lasker Center for Health Research and Education in her honor.

Mrs. Lasker also had a passion for flowers. As early as 1943 she began brightening up New York City parks and streets with flowers. In 1956, she instituted the seasonal planting of tulips and daffodils along Park Avenue.

She was also active in Lady Bird Johnson's efforts to beautify America. In 1965, Mrs. Lasker donated 10,300 azalea bushes and 150 dogwood trees to help brighten Washington, D.C. She also donated 40,000 daffodill plants and several hundred cherry trees to beautify the United Nations in New York City.

In the interview with Time Magazine, she said. "I am mainly interested in medical research. The flowers are just a little thing to keep me from being depressed until a cure is found for diseases like cancer and arteriosclerosis."

Mrs. Lasker was the recipient of more than 60 awards and medals. In 1969, President Lyndon B. Johnson presented her with the Medal of Freedom, the nation's highest honor for a private citizen. In 1987, Congress authorized the striking of a special gold medal in her honor "in recognition of her humanitarian contributions in the areas of medical research and education, urban beautification and the fine arts." In 1992, she was awarded the Albert Schweitzer Gold Medal for Humanitarianism in Philantrophy from Johns Hopkins University.

Mrs. Lasker remained vigorous throughout her life. Her last public appearance was in October at the 1993 Albert Lasker Awards luncheon in New York City keynoted by First Lady Hillary Rodham Clinton.

She leaves two stepsons Francis Brody and Edward Lasker, both of Los Angeles.

Funeral arrangements are private. A memorial service will be held in the spring.

[From the Albert and Mary Lasker Foundation]

MARY WOODARD LASKER, HEALTH CRUSADER AND PHILANTHROPIST, IS DEAD AT AGE 93

New York, NY, February 22, 1994.—Mary Woodard Lasker, the indomitable philanthropist who for more than fifty years was a leading national force in promoting biomedical research and better health for Americans died yesterday, February 21, at her home in Greenwich, Connecticut. She was 93.

Mrs. Lasker died of heart failure, her nephew, James Woodard Fordyce, said.

Mrs. Lasker created with her husband, the late Albert D. Lasker, the Albert and Mary Lasker Foundation and established the Albert Lasker Medical Research Awards as one of science's most prestigious awards. These awards, given for significant achievement in basic and clinical medical research, have long been considered second only in prestige to the Nobel Prizes.

Mary Lasker believed that "money could buy ideas" and that leadership was needed to encourage those who have the stuff of genius to focus their energies on medical research. She sought to encourage and honor discoverers who might otherwise have gone all but

unrecognized, and to bring dignity to their work.

Mrs. Lasker remained vigorous and active throughout her life. Her last public appearance was at the 1993 Albert Lasker Awards luncheon, keynoted by First Lady Hillary Clinton, last October in New York City.

The Lasker Foundation and its awards program was founded in 1944 by the Laskers to draw attention to the major advances in both medical and clinical medical research and to stimulate Federal support for the medical sciences.

Mrs. Lasker was one of the country's most remarkable women and outstanding citizens. She was a key architect in this nation's cancer initiatives. With a talent for persuasion, she was enormously effective in changing the course of modern science through her catalytic role in obtaining public financial support for medical research.

Together with her husband in the late 1940s, she initiated the research program of the American Cancer Society and later turned her attention to increasing financial support for the National Institutes of Health, whose budget today exceeds $10 billion.

Dr. Jonas Salk said, "When I think of Mary Lasker, I think of a matchmaker between science and society." Business Week called her the "fairy Godmother of medical research". She waged an effective behind the scenes attack on what she called the "major cripplers and killers"—heart disease, cancer, and stroke in the United States. She was widely regarded as a driving force behind the creation of the National Cancer Institute and of several other of the National Institutes of Health. Her work urging legislation to expand federal cancer research culminated in a 1971 bill that made the conquest of cancer a national goal.

In 1984, Mrs. Lasker was honored by the naming of a Center at the National Institutes of Health, the Mary Woodard Lasker Center for Health Research and Education. Her life was a demonstration of how one unelected, unappointed, but highly intelligent and deeply committed private citizen could work with government officials for the benefit of all Americans.

Medicine was not the only area in which Mary Lasker worked to transform life around her. She had a passion for environmental beautification. As early as 1943 she began brightening New York City's bleak parks and streets with flowers. in 1956 she initiated the seasonal plantings down the center of Park Avenue in New York City and funded the planting of 20 blocks of tulips and daffodils. With her good friend, Lady Bird Johnson, she worked to stimulate interest in the beautification of cities and parks around the country. She generously gave azalea bushes, daffodil bulbs, dogwood trees, and cherry trees both in New York City and in Washington, D.C. to brighten those cityscapes. But she said, "I am mainly interested in medical research."

In 1969, President Lyndon B. Johnson presented her with the Medal of Freedom, the nation's highest honor for a private citizen. In 1987, the U.S. Senate and the House of Representatives authorized President Bush to strike a special Gold Medal in her honor "in recognition of her humanitarian contributions in the areas of medical research and education, urban beautification, and the fine arts." She used this occasion to urge President Bush to throw his support behind augmenting the national research effort.

She was the recipient of numerous honors and recognition including the Radcliffe Achievement Award, that college's highest honor. In 1987 she received a Doctor of Humanities Degree from Harvard University and in 1989 the Harvard School of Public Health established the Mary Woodard Lasker Professorship of Health Sciences to perpetuate her life crusade for the discovery of knowledge to promote human health.

She was the recipient of more than 60 awards and medals, most recently the Albert Schweitzer Gold Medal for Humanitarianism in Philanthropy from The Johns Hopkins University in 1992. She also served in numerous board and trustee positions for health, cultural and educational organizations.

Mrs. Lasker, who was born in Watertown, Wisconsin, was the daughter of Frank Elwin and Sara Johnson Woodard. She attended the University of Wisconsin and Radcliffe College where she studied art history and graduated with honors. She also studied at Wadham College, Oxford.

Her first marriage in 1926 to art gallery owner Paul Reinhardt ended in divorce. In 1940, she married Albert Davis Lasker, the creative and legendary genius of modern advertising. When he retired from his business, Lord & Thomas, the predecessor firm to Foote, Cone, & Belding, Mrs. Lasker persuaded him to divert his promotional genius and some of his fortune to public health and she carried on this passionate work until her death.

In their life together Mrs. Lasker and her husband amassed an important collection of art which included Renoirs and the works of Matisse, Picasso, Dufy, Chagall and others. Many of these were sold in later years with the proceeds contributed to Mrs. Lasker's philanthropic projects.

Mrs. Lasker had no children. She is survived by her nephew, James W. Fordyce of Greenwich, and by her step children Francis Brody and Edward Lasker, both of Los Angeles, five step grandchildren, two step great-grandchildren and three great-nephews.

Funeral rites and burial will be private. A memorial service will be held in the spring. In lieu of flowers, contributions can be sent to the Albert Lasker Medical Research Awards.

[From Architectural Digest, Oct. 1985]

PROFILES: MARY LASKER

(By Valentine Lawford)

Though human beings who fight for causes may eventually achieve heroic stature in the eyes of posterity, they tend by and large to make their contemporaries feel uncomfortable. Mary Lasker of New York is a shining exception to the rule.

Part of the reason lies in the nature of the causes she champions. Today, medical research and urban beautification are recognizable as two facets of the same unmistakably good cause: the enhancement of human life. But another reason is Mrs. Lasker herself—her combination of forcefulness and warmth of heart, efficiency and charm, public spirit and personal devotion to friends, and her ability to persuade while giving credit where it is due. She is a philanthropist in the most complete sense of the word. Unlike many would-be reformers who start with an impersonal blueprint and end by trying to impose it dogmatically on others, she reasons from the personal to the universal. In short, she is someone with whom it is impossible not to identify and empathize.

Of her passionate interest in medical research, Mary Lasker says simply: "I cannot bear to see people suffering from uninvestigated disease. When I was a very young child in Wisconsin, I suffered from all the childhood illnesses. One day I overheard a friend of the family say to my mother, 'Sara, I don't think you will ever raise her,' and that made me mad! My grandfather was crippled by arthritis, and both of my parents, who suffered from high blood pressure, eventually died of heart disease. I decided that such things just should not be, and that I would do something myself about it and get others to do something, too."

After her marriage in 1940 to advertising pioneer Albert D. Lasker, she began to put her ideas into practice—winning the sympathy and support of influential members of Congress, enlisting the aid of eminent doctors and surgeons and generous private citizens, and stimulating public interest in the fight against disease. In 1942, she and her husband established the Albert and Mary Lasker Foundation—backed solely by their own funds—for the promotion of medical research, public health and education, and human welfare. For nearly a half-century, the Lasker Foundation has achieved national and international renown. It has given annual awards since 1944 for outstanding work in medical research and public health administration, and for superior reporting on these subjects. Of the recipients of Lasker Awards in the course of four decades, no less than forty have subsequently received Nobel Prizes.

In May 1984, Congress passed legislation honoring Mrs. Lasker by naming a new research center at the National Institutes of Health in Bethesda, Maryland after her. Speaking at the dedication ceremony, she said: "Medical research saves lives and eliminates suffering; it also saves over $13 million in our economy for every dollar invested. If you think research is expensive, try disease."

Like her battle against disease, Mrs. Lasker's fight against urban ugliness was inspired by childhood experience. Her mother was instrumental in the establishment of two public parks in Watertown, Wisconsin, where the family lived. It was in memory of her mother that Mary Lasker made her first contribution, in 1942, to the beautification of New York City—a gift of millions of hardy chrysanthemum seeds for massive plantings in five park areas. After Albert Lasker's death in 1952, his widow and her stepchildren gave 300 Japanese cherry trees and 40,000 white daffodils in his memory to the gardens of the United Nations. Four years later, Mrs. Lasker donated thousands of daffodils and tulips to be planted along twenty blocks of Park Avenue—partly to demonstrate that they could thrive there, in spite of air pollution. And she has personally contributed 10,000 azalea bushes, 900 cherry trees, 2,500 dogwoods and over a million daffodils to the beautification of Washington, D.C.

Since 1981, Mary Lasker's horticultural benefactions to New York City have centered on the Park Avenue Malls Planting Project, a community effort to enhance nearly fifty blocks of the avenue with tulip bulbs, annuals and shrubs, Christmas trees, fields of wildflowers, and annually seeded and fertilized lawns. The project's yearly order of 82,000 tulip bulbs from Holland is one of the largest private orders from Dutch bulb growers, second only to the queen of England's. Each spring the tulips burst into bright yellow bloom, and are followed in summer by carpets of begonias—a gardening miracle, given the smoke and heat from the train that runs directly beneath the avenue and the meager two feet of soil in which they are planted.

It is scarcely surprising that Mary Lasker should have received so many awards and

honors, including ten academic degrees, the Presidential Medal of Freedom, and the cross of Officier de la Légion d'Honneur from the president of the French Republic. She is also a board member of the John F. Kennedy Center for the Performing Arts in Washington, D.C., of the Norton Simon Museum in Los Angeles and of the Leeds Castle Foundation in Great Britain.

Despite a hectic schedule—she continues as president of the Lasker Foundation and serves as a trustee of several other public-spirited organizations as well—Mary Lasker remains genial and easily approachable. She enjoys parties and has given many notable ones herself. Important French Impressionist works of art were a feature of her former house on Beekman Place, and today she displays a collection of contemporary American paintings in her United Nations Plaza apartment and office. Weekends are spent at her country house in Greenwich, Connecticut, where she can indulge her passion for roses. She delights in the company of her family, especially of her three great-nephews, the grandsons of her sister and close collaborator, Alice Fordyce. She has taped a series of messages to them, for delivery when they reach a suitable age. An excerpt: "Go to good colleges and universities. Spend a year or two abroad, at Oxford or in Paris, for example. Become really proficient in at least one foreign language. And to cope with the politics of the twenty-first century, it may be useful to have some familiarity with psychiatry and psychoanalysis."

Mrs. Lasker's emphasis on education extends naturally to research, her most effective tool and weapon. Discussing the areas of research she's especially interested in now, she says: "We need to find a vaccine against cancer, and we have to discover more cancer viruses in order to produce a good vaccine. We must promote more research into diseases of the heart and all neurological diseases in order to prolong human life. We can do almost anything today, work untold wonders as far as mechanical things are concerned, but we do little or nothing to improve human beings. We are just not using our brains!"

Mary Lasker drives a hard bargain, and the Lasker legend of accomplishment, in all its facets, is widespread. Not long ago, a New York cab driver, taking a European visitor downtown to catch a train, proudly gestured toward the flowers, shrubs and trees along Park Avenue. "You know who's responsible for all this?" he asked his fare. "A lady called Mrs. Mary Lasker. We could do with a lot more of her kind."

[From the Journal of the American Medical Association, Oct. 2, 1991]

THE LASKER AWARDS—HONORING THE SPIRIT OF MEDICAL SCIENCE

(By Dennis L. Breo)

Beauty is truth,
Truth beauty.
That is all ye know on earth,
And all ye need to know.

—John Keats

Keats died in 1821 at the age of 25, a victim of "consumption" in the years before medicine fully understood "contagion" and knew how to cure tuberculosis. This has next to nothing to do with the subject of this article, the Albert Lasker Medical Research Awards, which were presented in New York on September 27 and which are the focus of two papers in this issue of *JAMA*.

Nothing except to note that Mary Lasker, who created the awards and named them in honor of her late husband, has a rare passion for beauty and a rare rage against disease. A mover of mountains to motivate medical research in America, Lasker forced upon others the saving truth that the beauty of science can often cure the ugliness of disease. A woman of both poetry and power, she sold the dream.

When the history of 20th-century science is written, it may well show that two of the very most important players are a pair of remarkable sisters from tiny Watertown, Wis.—Mary Woodard Lasker, now 90, and her indispensable ally and sibling, Alice Woodard Fordyce, 84. Neither has ever looked into a microscope nor would they recognize what they saw, but their persuasiveness, persistence, and perspicacity have helped cause billions of dollars to be allocated for thousands of researchers to benefit millions of patients.

Sam Broder, MD, the director of the National Cancer Institute, says, "The story of Mary Lasker is well known, she has been recognized by essentially everybody, and she has meant essentially everything not only to the National Cancer Institute but to the entire National Institutes of Health. She is a genius who forced the realization that the federal government must commit itself to medical research to benefit all Americans."

Broder's predecessor, Vincent T. DeVita, presented Lasker with the NCI's "Year 2000 Award" in 1987 and noted, "Mary Lasker is unique. She is this country's First Lady of science and medicine. In truth, without her efforts, there would be no National Cancer Act, no capacity to approach the cancer problem in any organized way, no capacity to set our goals for the year 2000 . . . no mandate to think of a world without cancer. Like those few people with vision, Mary's eyes have always been able to look farther than they can see."

A SELLER OF DREAMS

Mary Woodard was a successful businesswoman in New York in 1940 when she met and married Albert Lasker, the father of modern advertising. Himself a genius and the owner of a great fortune, Lasker, like his wife, believed that education and knowledge could change the world. Within 2 years of their marriage, he divested his agency, Lord & Thomas, and joined his wife in a crusade to breathe life—and dollars—into the moribund American Society for the Control of Cancer, as the MD-dominated agency was known in those days, and the National Institutes of Health. Their remarkable success is a tribute to the can do American spirit.

From the beginning, the awards program, which is administered by the Lasker Foundation, was meant to motivate basic and clinical research against this nation's major cripplers and killers—heart disease, cancer, mental illnesses, respiratory diseases, arthritis, and neurological diseases. Ironically, Lasker himself died of colon cancer in 1952.

The first Albert Lasker Medical Research Award was presented in 1944 to Col. William C. Menninger for his "outstanding contribution to the advancement of mental health in the field of war psychiatry." Subsequent winners have been honored for breakthroughs in everything from making penicillin available to understanding retroviruses.

Since these awards were established, 49 Lasker Award winners have later won Nobel Prizes. Lewis Thomas, MD, observed in remarks upon the 40th anniversary of the program, "the average lag [between a researcher winning a Lasker and then a Nobel], if it can respectfully be called that, has been 5 years. The Lasker juries have been prescient."

The lion's share of the credit for the awards and what they have meant quite properly goes to Mary Lasker, but Alice Fordyce, the lady who has directed the program and who has handed out the inscribed "Winged Victory of Samothrace" statuettes (symbolizing victory against premature death and disability), has also been a driving force, though she insists upon staying in the background.

Indeed, the two sisters deserve their own Nobel Prize and, perhaps, even a Lasker Award. In 1942, the United States was spending virtually nothing on cancer research—certainly far less than was being spent by Albert Lasker's clients to launch advertising campaigns for toothpaste! Today, the NCI has an annual budget exceeding $1 billion.

Fordyce agreed to an interview with this reporter to discuss the accomplishments of her sister, but clearly, she too is deserving. Dr. Thomas, himself a Lasker winner as "the poet laureate of 20th-century medical science," once observed of Fordyce: "Both myself and many other scientists, more stubborn, busier, and with all their own prior engagements, have found it impossible to escape being organized by this lady . . . she is an absolutely irresistible force."

Fordyce lives and works in an airy, strikingly appointed and designed apartment in Manhattan's United Nations Plaza. The apartment, which was designed by her late architect husband Allmon Fordyce, commands a panoramic view of the East River and is only a few floors below the dramatic town apartment kept by Mary Lasker, who on this day, does not feel up to an interview.

The Woodard sisters have come a long way from Watertown, but Fordyce summarizes: "In those days, a young woman went East to college and then got a job in Manhattan. Things just naturally happened." Pointing out the window, Fordyce observes, "Mary planted those chrysanthemums and flowering cherry trees you see below in honor of our mother, who was a great lover of flowers and beauty.

The Lasker success story is simple, though profound. The mother imbued her two daughters with a passion for beauty. Mary Lasker, who often says, "I am opposed to heart attacks and cancer and strokes the way I am opposed to sin," has always believed that "the ugliness of disease is not the will of God," (Lasker herself had a major stroke in 1981 but has made a remarkable recovery.) She resolved to persuade others to find the causes of disease, not just treat the symptoms.

Sara Johnson Woodard, the mother of Mary Lasker and Alice Fordyce, grew up amid the pastoral beauty of Northern Ireland as the 11th of 17 children. She came to the United States in 1880 and was appalled by the grime and grit of Chicago.

Alice Fordyce says, "Mother rode into Chicago one day on the Rock Island Railroad and burst into tears, exclaiming, 'It's just so ugly.'" Later, after she had married prominent banker Frank Woodard and moved to Watertown, Wis., to raise her two daughters, Sara Woodard saw to it that two parks and a public library were established and that many flowers were planted. "She taught us a love of beauty," Fordyce recalls, "and she also taught us to cause other people to bloom."

This would become the great gift of Mary Lasker—to recognize and encourage possibilities in others, especially medical policymakers and researchers. Famed as the "Great Persuader," she became a national resource, like iron and timber. Gifted with a smile that could warm a room and a computer-like ability to track multiple projects,

she once moved a scientist to remark that her presence "caused us all to perk up, as if the sun had just come out."

She often said, "It's a personal world and ideas come from minds in collision. Continents have been discovered, laws passed, buildings built, books written because the right two people met at a party or on a ship." The meeting of Mary and Albert Lasker was one such collision, and its shock waves affected Congressmen, Presidents, and the American people. Medical research was the idea she chose to promote. Her determination was deeply rooted in personal experiences.

Frail and often ill as a child, Mary Lasker suffered from recurrent ear infections and was furious that doctors could not help her. At age 4, she and her mother visited their cleaning woman, who had just had both breasts removed because of cancer. The memory is unforgettable—"that poor woman lying in bed, suffering so terribly, and nothing could be done."

Both her parents suffered from hypertension, and the only advice given to them was "to avoid excitement and stress." Later, as an exceedingly popular coed at the University of Wisconsin in Madison, the pretty and talented Mary Woodard and many of her classmates were stricken by the flu epidemic of 1918, an epidemic for which medicine had little to offer. Halfway through her sophomore year, Mary was taken out of school by her mother, who stayed with her in a Midwestern spa until she had regained her health. Once recovered, she switched to Radcliffe, where she graduated cum laude with a degree in art appreciation and history.

Many years later, in 1943, the Laskers' cook was stricken with cancer and consigned to a "home for incurables," where she eventually died. The doctor would not tell Mary what the problem was, since in those days demons like "cancer" and "mental illness" were spoken of in whispers. She was told that nothing could be done. Mary Lasker thought to herself, "Well, that's a fine kettle of fish . . . all we can do is treat the symptoms and send her away. We need to find the cause and to cure it."

TAKING CANCER OUT OF THE CLOSET

The rest, of course, is richly known history. Dr. Howard Rusk, the former director of the New York University Medical Center's rehabilitation clinic, once said, "Mary Lasker has done more to promote medical research than any other living person."

Mary and Albert Lasker are the ones who, in the 1940s, convinced David Sarnoff, then the powerful head of the Radio Corporation of America, that it was OK to mention the word "cancer" on the airwaves. Later, she persuaded the Reader's Digest to run a series of articles on cancers and to include at the end a chance for readers to contribute money for research. This helped launch the fund-raising efforts of the American Cancer Society, and she insisted that 25% of all funds be earmarked for research. Disgruntled doctors at first threatened to resign at this sign of lay influence and at her insistence that the society's board include nonphysicians, but the resistance soon capitulated in the wake of her successful fund-raising. In 1949, she created the Albert Lasker Medical Journalism Awards and helped put medical stories on the front page of the nation's newspapers.

President John F. Kennedy reportedly once told his brother Edward, then newly elected to the US Senate: "Have lunch with medical school professors, have dinner with Nobel Prize winners, but if you really want to know about what needs to be done in medical research in America, have a talk with Mary Lasker."

Throughout it all, Mary Lasker has walked with Presidents, lived like royalty in elegant country and town homes that showcase art masterpieces and spectacular gardens, and acted as "Mary Appleseed," even persuading the politicians of New York to lay a carpet of daffodils and tulips down the mall in the middle of Park Avenue.

At 90, she remains excited about the possibility of a vaccine against cancer, a safeguard against the pernicious killer whose 200-plus different forms attack 35 major sites in the body. As usual, she is leaving nothing to chance. She told *Cancer News*, a publication of the American Cancer Society, "We're so smart about weapons. We spend billions and billions for weapons to kill people. Why not spend to keep people alive? That's what the American Cancer Society is all about."

Alice Fordyce says, "When I think of Mary, I think of her great charm and intelligence and perseverance and persistence and her great taste. She can thank our Irish mother for much of this. It's true that she was extraordinarily persuasive—a seller of dreams, really—but she also had very good ideas. And they were not selfish ideas. They were ideas to help others."

A grateful nation has heaped honors upon Mary Lasker. In 1984, Congress named a new center, the Mary Woodard Lasker Center for Health Research and Education at NIH, in her honor. Her countless awards include the Medal of Freedom in 1969 from President Lyndon Johnson, a personal friend, and a special Congressional Gold Medal in 1989. She used the latter occasion to prod President George Bush to spend more for health research.

"We're Democrats of course," Alice Fordyce says, "and in Democratic administrations, Mary often visited the White House. The Republicans, I sometimes think, are allergic to spending for medical research, and we're fast losing our international leadership in science. It's shocking, and it makes me very cross. The federal budget process is beyond me, but I know that we can do more."

Fordyce has served as the executive vice president of the Albert and Mary Lasker Foundation, the director of the Lasker Medical Journalism Awards (discontinued in 1970), and the director of the Lasker Medical Research Awards. Dr. Thomas calls her a "phenomenon . . . a skilled and artistic arranger of flowers and people." Indeed, she developed many of these skills during her early career as a public affairs executive for the Rockefeller Center. Among her many bright ideas, she counts suggestions to build the Rainbow Room at the top of the building and the skating pond at the bottom.

AWARDS STILL VALUABLE

Still, she frets that this article "must not put me front and center, because I'm not a front-and-center person. Make sure you mention Mike DeBakey, who's been chairman of our jury for 20 years or so and who does a marvelous job. The Lasker Awards are valuable because they're awarded by the researchers' peers. What has always dazzled me is that when the chips are down the jurors vote for scientific merit and not for their favorites."

Herself blessed with robust good health, Alice Fordyce still enjoys travel, especially to China, and has recently taken up a new interest—organizing outings to listen to barge chamber music. Hers, too, is a richly lived life.

She notes that the Lasker Awards were not presented in 1990, a development that caused great consternation in the scientific community. "Well," Fordyce says, "I'm a very unconsulted consultant and I don't know what was going through Mary's mind, but she simply decided that, maybe, we had done enough, that there was no longer a need for the awards."

Wrong. "The outcry from the scientific community was very gratifying," Fordyce says. "Spontaneously, without prompting, many leading scientists called to say, 'Mary, you can't do this . . . it's like closing down the Metropolitan Museum of Art' and other comments of this nature. Well, Mary was persuaded, and the awards were resumed."

She concludes, "We're not going to be around forever, of course. I would certainly hope that somebody will keep the awards going in Mary's memory."

ADDRESS OF MARY LASKER AT THE DEDICATION OF THE MARY WOODARD LASKER CENTER FOR MEDICAL RESEARCH AND HEALTH EDUCATION, NATIONAL INSTITUTES OF HEALTH, SEPTEMBER 19, 1984

I am deeply honored that this land for research and training is named in my honor, but the real honor goes to the scientists who are dedicating their lives for the benefit of mankind. We will see to it that there are many buildings on this site in the future.

The reason I am so dedicated to medical research and have lobbied so many Congressman and Senators in this room is that when I was very young, I was sick a great deal and had severe infections of the ears, causing the most agonizing pain. In those days polio was still rampant and there were no antibiotics and no polio vaccines. These discoveries obviated the terrible pain and saved tens of thousands of lives.

When I was about ten years old I resolved that I would try to do something when I grew up for medical research, and this center named for me symbolizes this early resolve.

I hope this property and facility and others like it will inspire young people and old to dedicate their lives to the furthering of medical knowledge that will alleviate suffering of people with cancer and other dread diseases.

Yet our mission and purpose in life unlike any other that I know of has remained nonpartisan, due to a large measure by the actions of those here today—and by many who preceeded them in the White House and Congress.

The press pays little heed to what goes on here, it is slow, grudging but vital work.

The fruits of all our labors throughout the years will:

Alleviate pain where there is suffering;

Provide the freedom to live in health so that we can fulfill our promise and quest in the pursuit of happiness; and

To provide hope where none existed before.

This is our mission—we have already begun.

It is a terrible thing to envision the lives lost, the crippling and the pain occurring while all of us are here.

Our duty is more urgent today than ever before.

Economically, our leaders must soon realize that funding for medical research saves lives, and eliminates suffering. It also saves over $13 in our economy for every $1 invested!

We must all come to the immediate conclusion that if you think research is expensive—try disease.

In his own wisdom, Senator Magnuson said "health is the first wealth of a nation". Without it we have nothing.

I would add that: with it we have hope and at least the ability to look forward and work toward a better life.

It is the duty of everyone who receives funding from the NIH to work for and fulfill the goal of medical treatment, cure and prevention and to give this country and the world the benefit of every penny spent.

It is the obligation of everyone to support this effort and our public leaders so that we can fulfill our mission.

Do you realize that at least 1,000 people a day die of cancer? With persistent research and substantial financial support, we should be able to further lower the death rate dramatically for all diseases!

Thank you for your own contributions to this coming victory and for coming to this dedication—now, we must all go and continue our work.

TRIBUTE TO JOHN HAL "RED" DOVE

Mr. HEFLIN. Mr. President, a longtime leader in the Alabama trucking business, John Hal "Red" Dove, passed away after a long illness on February 7 in Dothan. A fine gentleman with an abiding love in faith and family, Red made a great contribution to the State's trucking industry.

The founder of AAA Cooper Transportation, Red was best known as a person who never forgot his roots. He had a warm sense of humor and was always at home with all types of people. He was someone who related well to other people and who others truly enjoyed being around.

Red Dove was born on October 7, 1909, in Shubuta, MI, where he lived during his early childhood. He married Sybil Bently in 1931. He began his illustrious career in the trucking business soon after moving to Alabama by hauling pulpwood and timber for local sawmills. In 1935, he became a regulated carrier, operating under the name "Dove Truck Line." He later formed his second company hauling specified commodities between Pensacola, FL, and Dothan, later merging this operation in a partnership that served Atlanta, Dothan, Andalusia, and Mobile. Selling this firm in 1950, he purchased another operation the next year, changing its name to AAA Motor Lines and again in 1970 to the present AAA Cooper Transportation, greatly expanding its operation.

He served as board chairman for AAA Cooper as well as on various committees of the Alabama Trucking Association, where he was division vice president, vice president, president, and board chairman. Over the years, he was active in various civic organizations including the local Chamber of Commerce as well as those in the communities in which he operated. He was a member of the Salvation Army's board of directors and a member of First Baptist Church.

Red Dove's lasting legacy is two-fold: his family and his strong business. He was always committed to both, and was a loyal friend to those who were fortunate enough to have known him. I extend my sincerest condolences to his wife, Sybil, and their entire family in the wake of their tremendous loss.

THE DEATH OF MARY WOODARD LASKER

Ms. MIKULSKI. Mr. President, I rise today to express my sadness at the passing of a great American woman—Mary Woodard Lasker. I want to extend my condolences to her family and loved ones.

Mary Lasker was a kind and generous woman who devoted herself to public health issues. She sought to garner funds for the research and development of cures for various diseases. She spent 30 years energetically lobbying Congress promoting medical research. Through her persuasion, she convinced the Radio Corporation of America that the word cancer could be said on the air. Reader's Digest published a series of articles about cancer which concluded with a plea for donations. Mrs. Lasker's persistence and dedication had convinced them of the urgency and importance of educating the American people about the deadly disease.

Because of the loss of her parents at an early age to fatal illnesses, Mrs. Lasker was determined to see medical research become a priority in this country. Although private funds were the real sources of medical research at the time, Mrs. Lasker was able to convince the Federal Government that its resources were the only ones large enough to adequately conduct the kind of large scale research that could be effective.

And her influence was great. It was through the tireless efforts of Mrs. Lasker, with the support of her husband Albert, that the National Institutes of Health transformed from a simple set of medical laboratories to the advanced innovative medical research community that stands today. Mrs. Lasker's work led to an increase in funding for NIH from $2.4 million in 1945 to $5.5 billion in 1986.

As the visionary that she was, Mary Lasker was even questioned by renown scientists when she proposed an independent national cancer authority. And again, we owe our thanks to Mary Lasker that President Nixon signed the National Cancer Act in 1971. In addition, Mrs. Lasker and her husband were avid fundraisers for cancer research and their efforts led to the creation of today's American Cancer Society.

Mary Lasker was an inspiration to us all. Although her name will be carried on by the prestigious Lasker Medical Research Awards, Mary Lasker's true legacy remains in the commitment that we now have in this country to funding medical research, to expanding NIH and our medical technology, and to the education and awareness that Americans now have about public health.

RUTH VAN CLEVE RETIRES FROM DEPARTMENT OF THE INTERIOR

Mr. JOHNSTON. Mr. President, today I ask my colleagues to join me in congratulating Mrs. Ruth Van Cleve on her retirement as special assistant in the Office of the Solicitor at the Department of the Interior.

Mr. President, Mrs. Van Cleve is truly a remarkable and talented person. She will be missed not only by her friends and colleagues at the Department of the Interior but also by innumerable staff, Senators, and Congressmen throughout Capitol Hill and staff with the executive branch.

Mrs. Van Cleve's departure from Interior after almost 43 years of distinguished Federal service marks an unusual degree of commitment and dedication to the issues of the U.S. territories.

She began her career with the Department of the Interior as an attorney in the Office of Territories in 1950. In 1964, Secretary Udall appointed her Director of the Office of Territories, making her the highest ranking woman in the Department. She was awarded the Distinguished Service Award, the Department's highest honor, in 1968.

Mrs. Van Cleve went on to serve in the Office of General Counsel for the Federal Power Commission where she became the FPC's first woman assistant general counsel as well as receiving two awards. In 1977, Mrs. Van Cleve returned to the Department of the Interior as Director of Territorial Affairs. During this time period, it was a pleasure to have Mrs. Van Cleve testify before the Subcommittee on Territories, which was my first subcommittee chairmanship. She always was an exemplary witness, handling sometimes difficult situations with ease and grace. When the Assistant Secretary position was created in 1980, she became Deputy Assistant Secretary. Soon after, she moved to the Office of the Solicitor and began preparing a three-volume treatise on the applicability of the Federal laws to the territories and other insular areas. The treatise was published in early January of this year. Other highlights of Mrs. Van Cleve's long and distinguished career include assisting in achieving statehood for Alaska and Hawaii, and securing elected Governors in the Virgin Islands and Guam.

Mrs. Van Cleve came to work on territorial issues soon after the trusteeship was established in 1948, and now leaves as the trusteeship can be fully terminated. It was a Herculean task, but Mrs. Van Cleve was up to it!

I ask my colleagues to join me in commending Ruth Van Cleve on her retirement and in thanking her for 43 years of dedicated service to the Nation and its territories.

RETIREMENT OF JAMES M. "MIKE" LAMBE

Mr. BUMPERS. Mr. President, on March 2, James M. "Mike" Lambe, Chief of the National Park Service's Office of Legislation, will retire after nearly 40 years of Federal service. Since 1961, Mike has been with the Park Service where he has served with distinction and excellence.

During many of those years in the Park Service, Mike has been associated with legislation or legislative affairs, which is why our paths have crossed on numerous occasions. As chairman or ranking minority of the National Parks Subcommittee in the Senate since 1979, I have benefited from Mike's professionalism and vast institutional knowledge. Whether it was preparing legislation as a drafting service for me or other members of the subcommittee, or responding almost instantly to questions about even the most obscure Park Service related law or regulation, I and my staff could always count on Mike Lambe. He has made positive and lasting contributions to almost every major park-related measure enacted into law over the past several decades. The Redwoods National Park and Redwoods Park Expansion Acts; the National Parks and Recreation Act of 1978; the Omnibus Park and Recreation Act of 1979; the Alaska National Interest Conservation Lands Act [ANILCA]; and countless additions to the National Wilderness, Wild and Scenic Rivers and Trails Systems are just a few of the laws that bear the imprint of Mike Lambe's work.

Mr. President, I wish Mike all the best in his retirement. And on behalf of all of us who have benefited from his many talents over the years, I want to say thank you for a job well done.

TRIBUTE TO MARY WOODARD LASKER

Mr. HATFIELD. Mr. President, I come to the floor today to pay tribute to a woman who, through her advocacy, changed the face of medical research in this country—Mary Woodard Lasker.

Mary died Monday night—the close of a rich and full life that touched thousands. Once deemed the First Lady of Science and Medicine, she was known throughout the medical community for her devotion to the cause of medical research. Clearly, without her unwavering efforts, the consequences for the health of this country would have been devastating.

Mary resolved at a young age to work for the cause of medical research in adulthood. When she began her crusade in the 1940's, the United States spent only meager sums on cancer research. Today, due in large part to Mary's efforts, the budget of the National Cancer Institute is well over $2 billion. "If you think research is expensive," she argued, "try disease." Through the persistent work of Mary, her husband Albert, and sister Alice Fordyce, medical research has been recognized as a crucial component of improving human health.

I have been extremely fortunate to have the benefit of Mary's friendship through our work together during the years. Her warmth and compassion were evident from the moment one encountered her. With a background in art history and a keen business sense, Mary could have directed her energies any number of ways. "I am really interested in saving lives," she once said, simply. And so many have benefited from her choice.

The selfless spirit of Mary Lasker continues today through the Albert Lasker Medical Research Awards, created with her husband and given for achievement in basic and clinical medical research. "Mary's eyes have always been able to look farther than they can see," commented one former Director of the National Cancer Institute. Her vision helped to guide a country which has often been slow to follow. We can only extend to her our heartfelt gratitude and thanks.

As many of my colleagues know, I have a longstanding interest in medical research because it provides the hope to perpetuate a high quality of human life. Next week I will join my colleague, Senator HARKIN, in introducing legislation to establish a national fund for health research. I believe health research should be a key component of any health care reform plan and I am hopeful that with the groundwork already laid by Mary Lasker and others, this result can be achieved. If it does, I will be first in line to pay tribute to Mary Lasker by urging that the fund be named the Mary Lasker Fund for Health Research.

JAMES M. "MIKE" LAMBE RETIRES FROM DEPARTMENT OF THE INTERIOR

Mr. WALLOP. Mr. President, today I ask my colleagues to join me in congratulating Mr. James M. Lambe on his retirement as Deputy Assistant Director of Legislative and Congressional Affairs for the National Park Service.

Mr. President, Mike has been the backbone of the NPS legislative program. There is not a National Park Service area that has not benefited by his work and attention to detail. He will be missed not only by his friends but also by innumerable staff, Senators, and Congressmen throughout Capitol Hill, and staff with the executive branch.

Mike's departure from Interior after almost 36 years of distinguished Federal service marks a high degree of commitment and dedication to the issues of the National Park Service.

Mike began his career with the Department of Agriculture as a forestry aide on the Kaniksu National Forest in Idaho and then moved to the U.S. Geological Survey until he assumed a position with the National Park Service in 1961. Since that time he has been actively involved on the legislative agenda of the Service which has produced numerous new and expanded park areas. His assistance to the Congress has been invaluable. His departure and the knowledge and history that he will take with him, will leave a void that will be most difficult to fill.

I ask my colleagues to join me in commending James M. "Mike" Lambe on his retirement and in thanking him for 36 years of dedicated service to the Nation and its national parks.

BALANCED BUDGET AMENDMENT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of Senate Joint Resolution 41, a joint resolution proposing an amendment to the Constitution of the United States to require a balanced budget, which the clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 41) proposing an amendment to the Constitution of the United States to require a balanced budget.

The Senate resumed consideration of the joint resolution.

Mr. SIMON. Mr. President, I will have some remarks shortly. I am waiting for some material from my staff.

I will, at this point, suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. Mr. President, before my colleague from Idaho yields to Senator STROM THURMOND, I want to pay tribute to Senator THURMOND, who has been a pioneer in fighting for this. I believe Senator THURMOND told me he has been fighting for this for 35 years, but it has been a long time. I am proud to be associated with him in this battle.

When I came to the Senate, Mr. President, I confess that I thought, well, maybe I am going to be fighting with STROM THURMOND on all kinds of issues. We are on two committees together. We differ on some things, but it has been a good relationship, and I have great respect for my colleague from South Carolina.

Mr. CRAIG. Mr. President, let me join my colleague from Illinois in recognizing Senator STROM THURMOND and the tremendous leadership he has offered in building the base for this issue, as it has developed over the years, to stand on the floor on many occasions

over the last decade and bring this issue to a vote—once a successful vote in the mid-1980's. I offer my congratulations to him for his leadership. I am at this time pleased to yield to him such time as he may consume.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. I express my deep appreciation to the able Senator from Illinois and the able Senator from Idaho for their kind remarks. I am very interested in this problem and have been working on it for over 35 years.

Mr. President, I rise today to voice my strong support of a constitutional amendment to require the Federal Government to achieve and maintain a balanced budget.

In the last Congress, as in many Congresses before, I introduced a proposed balanced budget amendment and also joined as a cosponsor of a proposal which was agreed upon with proponents in the House of Representatives. That proposal was narrowly defeated in the House. The defeat was a direct result of the Speaker's successful lobby of several Representatives who were actually cosponsors of the bill but turned and voted against it when pressed by the Speaker. We have reintroduced this proposal as Senate Joint Resolution 41 which is the bill we are now considering. This current legislation is similar to a balanced budget amendment passed by the Senate in 1982 while I was chairman of the Judiciary Committee. Unfortunately, the Speaker of the House and the majority leader led the movement to kill it. Also, in March 1986, the balanced budget amendment received 66 of the 67 votes needed for Senate approval.

Simply stated, this legislation calls for a constitutional amendment requiring that outlays not exceed receipts during any fiscal year. The amendment does allow Congress to adopt a specific level of deficit spending if approved by three-fifths of the whole number of both Houses. There is also language to allow the Congress to waive the amendment during time of war or imminent military threat. Finally, the amendment requires that any bill to increase taxes be approved by a majority of the whole number of both Houses.

Mr. President, this legislation would strengthen our economy imposing the requirement to reduce and ultimately eliminate the Federal deficit. The American people have expressed their strong opinion on the need for a solution to the deficit problem. Making a balanced budget amendment part of the Constitution is the only—and I repeat, the only—effective means of permanently addressing our Nation's runaway fiscal policy.

While Congress could achieve a balanced budget by statute, past efforts to statutorily achieve this goal have failed. It is simply too easy for Congress to change its mind and rescind any statutory scheme which addresses Federal spending. The constitutional amendment is unyielding in its imposition of discipline on Congress to make the tough decisions necessary to balance the Federal budget.

I remember years ago Senator Harry Byrd, Jr., offered an amendment in the Senate to accomplish this very thing by statute. It was passed, but it did not amount to anything. The Congress went right ahead and appropriated as it had before that. The only way to stop this spending is by a constitutional amendment.

The Constitution has been amended only 27 times in our Nation's history. Amending the Constitution is a most serious matter and of such earnest concern that it has been reserved to protect the fundamental rights of our citizens or to ensure the survival of our democratic form of government.

Over the past half-century, Congress has demonstrated a total lack of fiscal discipline—I repeat, a total lack of fiscal discipline—evidenced by an irrational and irresponsible pattern of spending. This reckless approach has seriously jeopardized the Federal Government and threatens the very future of this Nation. As a result, I believe we must look to constitutional protection from a firmly entrenched fiscal policy which threatens the liberties and opportunities of our present and future citizens.

The national debt is now $4.2 trillion. Paying off this debt would cost every man, woman, and child in America over $16,000 each. The national debt continues to grow. For fiscal year 1993 alone, the Federal deficit was $255 billion.

Mr. President, in 1957, my third year in the Senate, the entire national debt was less than $275 billion and there was not a deficit, but rather a $3 billion surplus. The last time our Nation reported a surplus was 1969.

Today, the payment of interest on the national debt is over 14 percent of the entire Federal budget.

I want to repeat that statement. The payment of interest on the national debt is over 14 percent of the entire Federal budget. The tax dollars that go to pay interest on the debt are purely to service a voracious congressional appetite for spending. Payment of interest on the debt does not build roads, it does not fund medical research, it does not provide educational opportunities, it does not provide job opportunities, and it does not speak well for the Federal Government.

Mr. President, deficit spending and the alarming growth of the Federal debt have brought us to this moment. Congress has balanced the Federal budget only once in the last 31 years.

I want to repeat that sentence. Congress has balanced the Federal budget only once—once—in the last 31 years. During my service in the Senate of nearly four decades, I have been amazed and deeply concerned over the continued growth of Government spending. Federal spending continues to eclipse Federal receipts and this will only worsen the deficit problem. A balanced budget amendment as part of the Constitution will mandate the Congress to adhere to a responsible fiscal policy.

The American businessmen and businesswomen have become incredulous as they witness year in and year out the spending habits of the Congress. Any business person clearly understands that you cannot survive by continuing to spend more money than you take in. The Federal Government, like any other institution, should not spend beyond its means. It is time the Congress understands this simple yet compelling principle.

For many years, I have believed, as have many Members of Congress, that the way to reverse this misguided direction of the Federal Government's fiscal policy is by amending the Constitution to mandate—I repeat, to mandate—balanced Federal budgets. The balanced budget amendment is a much needed addition to the Constitution and it would establish balanced budgets as a fiscal norm, rather than a fiscal anomaly.

Mr. President, today's deficits will place staggering tax burdens on future generations of American workers. Who are the future generations of American workers? They are our children and our children's children. We are mortgaging the future of generations yet unborn. This is a terrible injustice we are imposing on America's future and it has been appropriately referred to as fiscal child abuse.

In 1798 Thomas Jefferson, one of the great leaders of our country, expressed his opinion of deficit spending, and I quote:

> The question whether one generation has the right to bind another by the deficit it imposes is a question of such consequences as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves.

Those are the words of Thomas Jefferson, the third President of the United States, and one of our greatest Presidents of the past.

It is time we demonstrate the fiscal discipline which Mr. Jefferson called a fundamental principle of government. It is time we adopt a balanced budget amendment. For 31 years, the Congress has failed and refused to keep spending within income. It is apparent that if we are going to operate on a balanced budget then we must compel the Congress, mandate the Congress, make the Congress refrain from deficit spending year in and year out.

If the Congress adopts this proposal, I predict that three-fourths of the State legislatures will swiftly approve

and the balanced budget mandate will then be a part of the Constitution as the 28th amendment. I urge my colleagues to adopt this measure and send it to the American people.

The American people deserve it, and we should not deny them that opportunity.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Illinois.

Mr. SIMON. Mr. President, I yield myself such time as I may consume.

The PRESIDING OFFICER. The Senator is recognized.

Mr. SIMON. Mr. President, let me respond to the remarks made last evening by the distinguished President pro tempore, one of the finest Members to have ever served in this body, Senator ROBERT BYRD. I have great respect for Senator BYRD and I ordinarily agree with Senator BYRD. But this time we are in sharp disagreement.

First of all, when I said that a constitutional amendment expresses philosophy and prevents Government abuse, he said that a constitutional amendment—if I am quoting him correctly—does not express philosophy. I differ. And what we are saying with this amendment is we have to have pay-as-you-go Government.

But I think there is a philosophy behind almost all amendments. The first amendment giving us freedom of speech—that expresses, really, a philosophy that if we have ideas out here freely flowing about, that in the process we are going to pick the best ideas. I think that is a philosophy.

The sixth amendment, calling for speedy trial for anyone charged with an offense, that expresses a philosophy that we have to have justice for people.

The 13th and 14th amendment, getting rid of slavery, clearly represents a change in philosophy for this country.

The 15th amendment, saying everyone can vote—everyone did not include women at that point—but that was a philosophical decision.

The 16th amendment on the income tax—I do not think it could carry today in the U.S. Senate, but it became an amendment and it expressed a philosophy in terms of how we get revenue from people, that it ought to be on the basis of people's income to a great extent.

The 19th amendment that gave women the right to vote, that clearly expressed a philosophy.

And one of the little known amendments, one of the most important amendments in the Bill of Rights that is frequently ignored, the ninth amendment.

James Madison put together a bill of rights. In fact he had 11 amendments he wanted for a bill of rights, rather than 10. And he wrote to Alexander Hamilton, and Alexander Hamilton wrote back and said if you spell out these rights there will be people who say these are the only rights people have. So the ninth amendment was added which says other rights not spelled out here are reserved to the people. Very fundamental—that expresses a philosophy about liberty in this country.

Clearly, there is a philosophy in back of this proposal that we move to pay-as-you-go Government, and I think there is a philosophy in back of other amendments.

Then, the second criticism is that financial matters should not be included in the Constitution. There are a great many matters that are financial matters that are included in the Constitution. We have a list here, I will not go through them all, but about 15 or so, here, are included. They include: Coining money—that is in the Constitution; to borrow money on credit; to regulate commerce with foreign nations; to fix standards on weights and measures—that certainly is a detail that is nowhere near as significant as what we are talking about here; to establish uniform laws for bankruptcy—that is part, clearly, of the financial side. And the example that I think is the most clear-cut example: The Constitution talks about patents. That is something that is clearly a financial matter with nowhere near the kind of overall impact of this.

Then I would add, and this gets back to the philosophical side of it, what was the one phrase that came out of the revolution, the American revolution, more than any other phrase? It was, "taxation without representation." You talk about taxation without representation—what we are doing to future generations with this burden that we are giving them, that really is taxation without representation.

The distinguished President pro tempore said majority rule is being taken away. Majority rule is not being taken away. What we are saying is we are going to put some barriers in there so the majority cannot abuse the public privilege and impose debts on future generations. So long as we have a balanced budget there is nothing here that prevents a majority in this Senate from doing anything we want on fiscal matters. But we have to recognize the majority in this Senate and in the House has abused the public privilege.

We have other areas where we indicate the majority cannot automatically prevail. There are several of them: One, two, three, four, five, six, seven—eight instances in the Constitution where it requires more than a regular majority to see that something takes place. And I do not object to that.

On the constitutional amendment, clearly a majority of the people in this country favor this amendment more than anything that we have ever done, in terms of a constitutional amendment. In this Senate we clearly have a majority. Whether we have two-thirds is less clear. But we clearly have a majority. But we say to protect the Constitution, one-third plus 1, in either body, can stop this. So we permit a minority to prevent abuses by the majority.

Senator BYRD also said this is an empty promise. You cannot have it both ways, incidentally. You cannot say this is an empty promise, it is not going to do any good, and then at the same time say there is no wiggle room here; that it is too confining.

Actually, I think neither extreme is accurate. The truth is we have fashioned something that does make sense. And when he says if we pass this then we are all going to go back home and say we have really done something, we are not going to do anything, there will be a let down in effort—I think I speak for my colleague, Senator HATCH, and Senator CRAIG, and my cosponsors on this side also: If this passes we know we are going to have to go to work. Senator MATHEWS, who is the Presiding Officer, is a cosponsor of this. I regret he is not going to be in Senate for a longer time. But I know Senator MATHEWS well enough to know that he is not going to just sit back and say, "Well, we have done this, let us forget about it." He will be willing to sit down and help fashion a package.

Then Thomas Jefferson came up. Why did he not promote this constitutional amendment as President? He did not promote it as President because there was a different atmosphere then: 7 of the 8 years he served as President he had a surplus. And yesterday, I thought it was really significant that my colleague, Senator CAROL MOSELEY-BRAUN, came in here on Washington's Birthday, with Washington's farewell address, and she read a portion of it. But let me reread it.

This is the mood of the time when the most revered person of that time, George Washington, said, in his Farewell Address to the Nation:

> As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear.

And he goes on for a few more sentences. That was the atmosphere. That was George Washington, the Father of our country, and what he had to say.

The Louisiana Purchase was mentioned. Very interesting. We say you have to have a 60-percent vote to have a deficit. The Louisiana Purchase was approved by this body by a vote of 24 to

7, way more than a 60-percent majority. The great complaint by the Secretary of Treasury Albert Gallatin at the time was Napoleon and the French worked out the Louisiana Purchase so that interest would be paid every year for 15 years but the principal could not be paid off until the 15th year. One of the great complaints of the Secretary of the Treasury and of our Government after the deal was consummated with Napoleon was we wanted to pay this off earlier. That is a very different spirit than we have today.

Senator BYRD says this amendment would impinge on the power of the President because we require the President to submit a balanced budget. I think that just makes no sense. I think if we require the President to submit a balanced budget, and if that President says this is the balanced budget I am required by the Constitution to submit to you but because of the emergency we face, because of economics, or something else, I recommend that we deviate from this in this way, there we are not taking any powers away from the President, but we are protecting the people and that is what a Constitution should do.

There is also the complaint that we require a constitutional majority for tax increases. Almost all tax increases have that. The big thing that we prevent, and I think a legitimate thing, we prevent a midnight voice vote tax increase by this; again, a protection for the people.

Then Senator BYRD complains that the language "Congress shall implement relying on estimates" opens the door wide, and if that were there in isolation, then we would have some problems, though I have to say we would still be better off than we are today. But when you say Congress shall implement and rely on estimates, what we also have is that three-fifths majority that you have to have to extend the Federal debt. So we cannot play games. I think that is very significant.

What I will recommend in terms of implementation is that we, first of all, generally aim for a 1- or 2-percent surplus so we can deal with recessions and, second, that we have a 2- or 3-percent leeway because you cannot tell to the exact dollar what is going to happen.

Then let us just say we are 2 percent under, though if we aim for a 1- or 2-percent surplus—that should be rare—but if we are 2 percent under, then that 2 percent goes into the next fiscal year. I think this is workable. I think the Supreme Court in years to come can read our debate and see what we had to say.

But when you compare that 2 percent—or whatever it is—with the last year that is now projected by CBO, the last year of their projection now is a deficit of $365 billion and going up from there. These are relatively minor problems compared to that.

The question is: Why do we need something to force us to do the right thing? We have shown for 25 years we need something to force us to do the right thing. As I mentioned yesterday, we are celebrating the 25th anniversary of spending more money than we take in. I have not noticed any big celebrations scheduled for that. I do not see anyone bragging about that. Why? Because we know it is hurting our country and our future.

In terms of recession, Fred Bergsten, former Assistant Secretary of the Treasury and, in my opinion, one of the finest economists in this Nation, said a balanced budget amendment will help us deal with recessions because we can build in a 1- or 2-percent surplus and then use that while we are so constrained by our present situation that we are not able to respond to recessions.

As my colleague from Utah will recall, we tried to get $11 billion for a jobs program in a $6 trillion economy and we could not get it; $11 billion would not do much but it would have been some help, but we were already so overloaded with debt that we could not get it. If we need a 60-percent vote for something that is needed, we can get that. We got that to extend unemployment compensation on an emergency basis in this body. We can get that.

One final point that he made, and that is the big States—California and over to Illinois—can control things over in the House because they will have 40 percent of the vote. I did some fast work last night. I could not find a single instance of any matter of controversy where the Illinois delegation in the House voted together, and I think you will find that for New York and California and the other delegations. There is no such unanimity on anything of controversy. That really is not a problem.

But the fundamental question that Senator BYRD did not answer is, What is the alternative? Where do we go if we do not adopt this? I suggest the lesson of history is something we cannot forget. I brought from my apartment a book that probably sold 200 copies. I do not know. "Mountains of Debt" by Michael Veseth. It is about ancient Florence and how ancient Florence started piling up debt and then debased their coins in order to take care of the debt. You do not need to go to ancient Florence. Go to Adam Smith in "The Wealth of Nations," and he talks about this is the tradition of nations that start getting into debt; they start printing money and ruining their economy. That is the road we are headed down. No question about it.

As you look at those projections and, again, the OMB projections—people say, "Well, GAO may not be accurate." Let us just take the projections of this administration, OMB.

Mr. President, on this graph is lifetime net tax rates under alternative policies, and I do not think my colleague from Utah was here when I mentioned this last night. In 1930—I was born in 1928—I will spend 30 percent of my lifetime income on taxes. My colleague from Idaho maybe 1940—1945. He is in the middle of this. He will spend around 32 or 33 percent of his lifetime income on taxes. But what do we do when we get down to future generations? Here is what OMB says—and this is put in here to show the great accomplishments that we have made, and we have made some accomplishments—to the credit of President Clinton.

Before reconciliation, future generations will spend 93 percent of their income on taxation. After reconciliation, it will be 82 percent. But assuming health care passes and it does everything the administration hopes that it will—and I am a cosponsor of it and I hope it does—assuming every optimistic economic forecast, and they forecast 10 years of solid growth and I hope it happens, but it is not typical of any decade, if those things happen, future generations will spend 66 to 75 percent of their net lifetime earnings on taxation.

Now, my friends, that is not going to happen. We will start printing money before it happens. We are headed toward what the economists call monetizing the debt. The most recent example that we have seen was right next door when Mexico got up to 12½ percent, the deficit was 12½ percent of their national income and they had inflation of 114 percent. That means cutting in half all family savings. That means cutting in half the Social Security trust fund.

What is the alternative? I think the evidence is just overwhelming that we are drifting toward monetizing the debt. We can take a gamble that we will be the first nation in history to reach debt of this character relative to income, we will be the first nation in history to do that without just printing funny money, but that is a huge gamble on the future of our country.

Mr. President, I hope this body will do the right thing. I hope the people out there in this country will contact their Senators and urge that we do the responsible thing and protect future generations and protect the future economy of this country.

Mr. President, I yield the floor.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER (Mr. LEAHY). Who yields time?

The Senator from Utah.

Mr. HATCH. I really appreciate the very cogent remarks of my colleague from Illinois and the leadership he has provided on this particular issue. I believe it has really made a difference, and I hope people throughout this country will take heed to what he has said and get with their Senators and their Congress people and let them know it is time for this game called

budgetary practice in Washington to get serious. The only way it is going to get serious, the only way we are going to solve these problems is with the type of fiscal discipline the balanced budget amendment would put into our system.

So I hope everybody out there watching this on C-Span and hearing about it otherwise will contact their Senators and their Congress people and tell them we have just got to get that 67-vote margin in the Senate so that we can pass this amendment.

Mr. President, I was on the "Today Show" yesterday with Leon Panetta, the Director of the Office of Management and Budget, a friend of both the distinguished Senator from Illinois and myself. We were being interviewed by Bryant Gumbel, and Leon Panetta said that this balanced budget amendment is just a gimmick. My favorite quote responding to that comes from the Congresswoman from Maine, OLYMPIA SNOWE, who said that if it were just a gimmick, if the balanced budget amendment were just a gimmick, the Congress would have passed it long ago.

I do not think anything could exceed that particular statement. If this were just a gimmick, you can bet your bottom dollar Congress would have passed it long ago and then ignored it.

It is not a gimmick. This is an amendment to the Constitution which will bring fiscal discipline to this country that is sadly lacking because the Congress is institutionally unable under current circumstances to quit spending and to quit spending beyond our means.

I will paraphrase the remark of Mr. Jim Davidson of the National Taxpayers Union. He said that the administration's so-called 5 year deficit reduction plan is like putting a 400-pound man on a diet, and calling it a success when he weighs in at 500 pounds because he thought he would be 600 pounds.

Basically, that sums it up. We are unwilling to do anything about the deficit because all of these Cabinet officials come up here in a hysterical fashion predicting the end of the world and suggesting that if we have to live with fiscal discipline, we will not have all the moneys to spend for the programs that are essential for this country. But we all know that if we keep going the way we are, as the distinguished Senator from Illinois has eloquently made the point, we are going to monetize the debt through printing money, bringing inflation, and the people who will be hurt the worst will be those who are poor, those who are on Social Security, those who are on fixed incomes.

We know we have to do something about this, and I think it is time we do it. That is why I join with the distinguished Senator from Illinois in leading this fight along with the distinguished Senators from South Carolina and Idaho and from Arizona, Senator DECONCINI, I join with these colleagues in helping to push this through if we can.

I rise today with a strong feeling that this is one of the most important debates to ever take place in the Senate. The subject matter goes back to the heart of our Founding Fathers' hope for a constitutional system, a system that would protect individual freedom and maintain the integrity of the Federal Government.

In the latter half of this century, however, the intention of our Founders has been betrayed by the inability of Congress to control its own spending habits.

What is the problem? Mr. President, our Nation is faced with the worsening problem of rising national debt and deficits and the increased Government use of capital that would otherwise be available to the private sector to create jobs and invest in our future. Increased amounts of capital are being wasted on merely financing the debt through spiraling interest costs. This problem presents risks to our entire long-term economic growth and endangers the well-being of our elderly, our working people, and especially our children and grandchildren. The debt burden is our mortgage on the future.

Mr. President, the time has come for a solution strong enough that it cannot be evaded for a short term gain. We need a constitutional amendment to balance our budget.

Mr. President, Senate Joint Resolution 41, the Simon-Hatch consensus balanced budget amendment, is that solution. It is reasonable, it is enforceable, and it is necessary to get our fiscal house in order.

James Madison, in explaining the theory undergirding the Government he helped create, had this to say about governments and human nature:

> Government is the greatest of all reflections on human nature. If men were angels, no Government would be necessary. If angels were to govern men, neither external or internal controls on Government would be necessary. In framing a Government that is to be administered by men over men, the great difficulty lies in this: You must first enable the Government to control the governed, and in the next place oblige it to control itself. A dependence on the people is no doubt the primary control on the Government; but experience has taught mankind the necessity of auxiliary precautions.

That is in Federalist Paper No. 51.

Mr. President, we are here to debate such an auxiliary precaution, Senate Joint Resolution 41, proposing an amendment to the Constitution of the United States to require a balanced budget, because our recent history has shown us that the primary control on Congress has stopped working.

The balanced budget amendment helps to restore two important elements in the constitutional structure: Limited Government and an accountable, deliberative legislative assembly, both of which are vital to a free and vital constitutional democracy. A deliberative assembly, the essence of whose authority is, in Alexander Hamilton's words, "to enact laws or, in other words, to prescribe rules for the regulation of society," for the common good, was considered by the Framers of the Constitution the most important branch of government because it reflected, or at least should reflect, the will of the people.

Yet, as the maker of laws, it was also considered the most powerful and the one that needed to be guarded against the most.

Recognizing that "[in] republican government the legislative authority, necessarily, predominates" and to prevent "elective despotism," James Madison, the Father of the Constitution, recommended that the Philadelphia Convention adopt devices in the Constitution that would safeguard liberty. These include: bicameralism, separation of powers and checks and balances, a qualified executive veto, limiting congressional authority through enumerating its powers, and, of course, the election of legislators to assure accountability to the people.

However, in the late 20th century, these constitutional processes, what Madison termed "auxiliary precautions," have failed to limit the voracious appetite of Congress to legislate into every area of private concern, to invade the traditional bailiwick of the States, and, consequently, to spend and spend to fund these measures until the Federal Government has become functionally insolvent and the economy placed in jeopardy.

Congress has been mutated from a legislative assembly deliberating the common interest into the playground of the special interest.

The balanced budget amendment, Mr. President, will go a long way toward ameliorating this problem. It will create an additional constitutional process—an auxiliary precaution—that will bring back legislative accountability to the constitutional system. The balanced budget amendment process accomplishes this by making Federal deficit spending significantly more difficult.

Mr. President, I would like to read two quotations: First, "the public debt is the greatest of dangers to be feared by a republican government."

Second, "once the budget is balanced and the debts paid off, our population will be relieved from a considerable portion of its present burdens and will find * * * additional means for the display of individual enterprise."

These quotations are not recent statements by current proponents of the proposed amendment. The first statement was made by Thomas Jefferson and the second by Andrew Jackson.

These two quotations illustrate an important truth: No concept is more a part of traditional American fiscal policy than that of the balanced budget. In fact, Jefferson himself wished the Constitution had included a prohibition on government borrowing—an early version of a balanced budget amendment, if you will—because he thought that one generation should not be able to obligate the next generation.

Throughout most of the Nation's history, the requirement of budget balancing under normal economic circumstances was considered part of what has been called our unwritten Constitution.

Influenced by individuals such as Adam Smith, David Hume, and David Ricardo, the drafters of the Constitution and their immediate successors at the helm of the new Government strongly feared the effects of public debt. The taxing and borrowing provisions of the new Constitution reflected a need of the new Republic to establish credit and governmental notes and negotiable instruments that would spur commerce.

Yet, the Founders and early American Presidents were in virtual unanimous agreement on the dangers of excessive public debt. Consequently, for approximately 150 years of our history—from 1789 to 1932—balanced budgets or surplus budgets were the norm.

While budget procedures had little of their present organization, the concept of a balanced budget was accepted widely as the hallmark of fiscal responsibility. Those deficits that did occur—during wartime or during the most severe recessions—normally were offset by subsequent surpluses.

Between 1932 and 1960, the rigid rule of annual balanced budgets gave way to a fiscal policy in which balanced budgets remained an overall objective, but in which deficit spending was also viewed as a tool occasionally useful to affect appropriate economic results. Nonemergency deficit spending was legitimized in 1936 with the publication of John Maynard Keynes' "General Theory." Great weight was placed upon the ability of the Federal Government to manage the economy through fiscal policy, that is, through spending and taxation.

However, a real turning point in the history of U.S. fiscal policies occurred during the 1960's. Even the Keynesian objective of balancing surplus years with deficit years succumbed to the idea of regular, annual uncompensated for deficits. In other words, our deficits, which were historically cyclical, reflecting boom and bust, war and peace, became structural and permanent.

During the 1960's, we were paying for Vietnam war at the same time as the war on poverty. The Great Society had noble goals and great intentions. But, the Great Society, on top of the war, was financed through debt and helped to develop our proclivity for deficit financing our national aspirations.

During the past three decades, the Federal Government has run deficits in all but a single year. The deficits have come during good times, and they have come during bad times. They have come from Presidents who have pledged themselves to balanced budgets, and they have come from Presidents whose fiscal priorities were elsewhere. They have come from Presidents of both parties.

Even more alarmingly, the magnitude of these deficits has increased enormously. During the 1960's, deficits averaged $6 billion per year. In the 1970's, deficits averaged $36 billion per year. In the 1980's, deficits averaged $156 billion per year. And, in the 1990's so far, deficits have averaged $259 billion per year.

The total national debt now stands at over $4.5 trillion. While it took us over 200 years to acquire our first trillion dollars of debt, we have recently been adding another trillion dollars to our debt about every 5 years, and will continue to do so under current projections at a slightly faster rate as we approach the end of the decade.

I would like to refer to a few charts. This first chart regards the Federal debt. It shows the gross debt between 1990 and 1999. The second one shows the debt as a percentage of the GDP, gross domestic product. This chart shows the projected growth of the Federal debt in 1990 through 1999 along with the growth of the Federal debt as a percentage of GDP over the same period. These figures are taken directly from the President's own budget, his fiscal year 1995 budget. And they are alarming to me. I think they would be alarming to anybody who looks at this chart.

In 1990, the gross Federal debt stood at over $3.2 trillion. By the end of this year, 1994, another $1.5 trillion will have been added, bringing the projected total to nearly $4.7 trillion in national debt.

By 1996, the amount of gross debt of the Federal Government will be over $5.2 trillion. That is even assuming the President's optimistic projections. These are his budgetary figures. And by 1999, more than $6.3 trillion.

These numbers are staggering; absolutely staggering. Just as staggering as the estimates of gross debt are the estimates of debt as a percentage of GDP. In 1990, $3.2 trillion in debt represented 58.5 percent of the country's GDP for that year. This year, in 1994, just look at it, the projected debt of $4.7 trillion will equal over 70 percent of our GDP. By 1999, the projected Federal debt of $6.3 trillion will represent 72 percent of a projected $8.7 trillion economy. And 72 percent of GDP means that in 1999 the Federal debt will equal 72 cents of every dollar earned by each person and 72 cents of every dollar sold by every business that year.

This mountain of debt must not be allowed to continue to grow. You can see why the distinguished Senator from Illinois is calling for people to contact their Senators and their Members of the House and tell them we have to have this balanced budget amendment.

We cannot live with this. Mr. President, these estimates are based on the President's own optimistic estimates of economic growth and deficit reduction over the next few years. He might be wrong. If things are not as optimistic as he has them, these percentages of GDP and gross debt could go even higher. Should these projections be wrong, the numbers for the gross debt, as a percentage of GDP, would surely go much higher. So I am very concerned about it.

Let me go to chart number two, because I think it is important to go into this. Chart number two shows the growth in the size of interest costs on the Federal debt from 1993 right on up through 1999. It is based on estimates made by the Congressional Budget Office. As the chart shows, in 1993, interest payments that we have to make against the debt—which is money down the drain—equal $293 billion. Next year, in 1995, interest payments will be $311 billion. That is assuming the optimistic assumptions of this administration. And I hope they are right.

In 1997, look how it is going up. In 1997, the Federal Government will pay $346 billion in interest on its debt, and in 1999, a staggering $382 billion. It does not take much to realize that we simply cannot live with this situation. That is assuming that the interest is not going up substantially more than it is now. It is assuming budget projections that may or may not come to pass. I hope with all my heart that we could even be more optimistic, but history indicates that we cannot.

This chart is alarming, and it means we are going to be throwing almost $400 billion down the drain by 1999 just in interest payments. As a percentage of the budget, it becomes bigger and bigger. Right now, it is at about 20 percent, but it will go much higher as we go through this decade.

Let me go to chart three now. I have been parochial on this chart, just talking in terms of each Utahn, but it could easily be each citizen's share of the Federal debt in the United States. This is the per capita share in our country of the Federal debt. It has increased sevenfold from 1975, when it was $2,500, and we thought that was horrendous then. I remember that. It is one of the reasons I decided I would run for the Senate, hoping to bring about some change, and it is one reason I have fought so hard for a balanced budget amendment every day since we have been here. We have not been successful. It rose from $2,500 that each person owed as their share of the national debt—per capita share—sevenfold to $18,000.

One other thing that is important is, last year, in 1993, this figure was $16,700. In 1 year, each individual's debt in our society has gone up $1,300. How many of us can afford another $1,300 in debt in this society? It is going up very fast, and sooner or later debts have to be paid. If we do not control these increases, we are going to pay the piper, because we are going to have a rough time getting by.

Let us go to chart number four. The core of this debate can be summed up by this particular chart, which shows the tax burden we are passing on to our great grandchildren and great grandchildren. Elaine and I have 14 grandchildren, and we are some time away from having great children, but probably not more than 7 or 8 years, to be honest with you. The fact is that we are very concerned about our grandchildren.

Again, the estimates on this chart are taken directly from the President's 1995 budget. So we are not trying to hurt the President here. We are taking his budget; we are taking his figures. I think they are optimistic under the circumstances. I hope he is right, and I certainly know that Leon Panetta intended to be right. I have a high regard for him. But taking his own figures, the figures of this administration, they show an alarming trend, these figures on what a generation's lifetime net tax burden is. A lifetime net tax burden is taxes paid minus the value of Government benefits received during a lifetime.

As the chart shows, the net tax rate has steadily increased during this century. A man or woman born in 1900 could expect a net tax burden of 23.6 percent. Right there, 23.6 percent. That was each individual citizen's tax burden at that particular time.

All they are going to pay in their lifetime is 23.6 percent if they were born in 1900. By 1940, the rate had grown to 31.9 percent. For children born in 1992, the lifetime rate they will have to pay is almost 37 percent—36.9 percent. As you can see, that has been gradual. You go from 23.6 to 36.9. In 1992, 36.3. That is the average net tax burden a person born in that year will have over his or her lifetime.

The massive Federal debt we keep accumulating is going to have to be paid back, and it is going to be paid back by those not yet born. Future generations can expect—using the President's figures—a lifetime net tax burden of 82 percent. That is virtually everything they have. The distinguished Senator from Illinois has made this point again and again. And we are bipartisan on this matter. We are concerned about that sudden jump. We are concerned about the legacy we are leaving to our future generations. We are destroying our children's future inheritance and burdening them with the expense of paying off our debts. That is because we are unwilling in Congress to do anything about it.

I have to laugh at these people who say, "Congress ought to have the guts to do what it ought to do." They have been saying that ever since I have been here, 18 years. These people who do not want a balanced budget amendment have been saying every year, "We ought to have the guts to stand up and do what is right." Yes, we ought to, but that is not the history of this institution. So we need some fiscal discipline that will enable us to have the guts to do what is right.

This is a bipartisan effort that we are taking on here, trying to get that discipline.

Let me go to the fifth chart here. This chart shows the results in 10 years from our present deficit spending policies, based on CBO estimates. In 1994, the deficit is $233 billion. In the year 2004, right over here, the deficit is projected to be $365 billion. At the end of this year, 1994, the gross Federal debt will be $4.69 trillion. By the year 2004, it will have ballooned to almost double that amount, and it will be about $8.95 trillion. The amount of that debt held by the public in 1994 is $3.46 trillion. By 2004, the public will hold $5.99 trillion in Federal debt.

This year, the gross interest paid on the Federal will be $298 billion. By the year 2004, the gross interest is going to be $503 billion.

Finally, this year, the net interest payment of the Federal Government is $201 billion—that is net interest—and by 2004 the net interest payment will be $334 billion.

So if you look at this chart, the deficit is going to go, even under this so-called deficit reduction approach of the current administration, from $223 billion in 1994 to $365 billion by the year 2004 unless there is some miracle that occurs.

The gross Federal debt, $4.69 trillion to $8.95 trillion in the 10-year period; the debt held by the public, $3.46 trillion to $5.99 trillion; gross interest, $298 billion to $503 billion; net interest payment, $201 billion in 1994, going to $334 billion by 2004. And many of us believe it will be much higher than that if we do not do something to get matters under control.

I do not know how much more we can show these things. They are the facts and people have ignored them. This country is awash in red ink. We have to do something about it.

And those of us who have gotten together for this amendment in a bipartisan way are trying to do our best to do something about it and we cannot see any other way to restore the discipline in the Constitution, which was always implied and implicit, but which has been ignored for the last 3 decades.

Let us go to chart 6. The President said we are getting our budget deficit under control. But this chart, based upon Congressional Budget Office data, shows this is not the case. The 1994 deficit right here is $223 billion. The deficit is then projected to decline for 2 years to a low in 1996 of $166 billion; that is, if everything goes according to plan. How many of you have seen everything go according to plan in this country? But even though it is a relative decrease, it is still $166 billion.

But then the red ink after 1996 starts to rise again—$182 billion in 1997; $204 billion in 1999, right here; $256 billion by the year 2001; $324 billion in the year 2003; and $365 billion in the year 2004.

Now that is the Congressional Budget Office deficit outlook over the next decade. These figures do not include projections for the President's health care proposal. But the CBO has already said that, should it be enacted, that plan would further widen the deficit.

My fellow citizens, we cannot keep going this way. Just common sense says we cannot keep going this way.

Keep in mind, these are not conservative estimates. These are estimates done by the current administration, CBO, and others who are supposed to be responsible in this society today.

In all honesty, Mr. President, these charts tell a pretty drastic tale. They are accurate to the extent that we can make them accurate. They are based upon the accuracy of the administration's budget, the accuracy of the Congressional Budget Office, to the best of their ability. And I happen to believe there is a lot of ability in both institutions.

If you take their best projections, this is the best we are going to do, our outlook is horrible. It is just plain horrible.

And then we have people coming on this floor saying we have to have the will and the spine to be able to change these things voluntarily. Well, we do not have the will and the spine to even live up to Gramm-Rudman-Hollings, which is a simple statute which can be amended by any other simple statute, or by a mere 51 percent vote of a quorum. We could not live up to that. And the reason we could not is because there is tremendous pressure on everybody in the Congress to spend because there is not the fiscal mechanism to cause them to say, "Hey, wait a minute. I want to do that, but here is why we can't." Or, "If we want to do it, we are going to have to either cut somewhere or raise the revenues to do it," a point which the distinguished Senator from Illinois often makes, which is very, very true.

Deficits and the national debt have grown, in large measure, because Government spending has grown. As total Government spending has increased, so has Government's relative share of the economy. In 1929, Federal expenditures of $3 billion represented just 3 percent of GNP. By 1950, the Federal share had risen to 16 percent of GDP or about $43

billion. For fiscal year 1993, Federal Government spending of over $1.4 trillion commanded nearly 23 percent of GDP.

To illustrate this growth in another way, the first $100 billion budget in the history of the Nation occurred as recently as fiscal year 1962, more than 179 years after the founding of the Republic. The first $200 billion budget, however, followed only 9 years later in fiscal year 1971. It took 179 years to get to the first $100 billion budget. The first $200 billion budget was reached just 9 years later in fiscal year 1971. The first $300 billion budget occurred 4 years later in fiscal year 1975; the first $400 billion budget 2 years later in fiscal year 1977; the first $500 billion budget in fiscal year 1979; the first $600 billion budget in fiscal year 1981; the first $700 billion budget in fiscal year 1982; the first $800 billion budget in fiscal year 1983; the first $900 billion budget in fiscal year 1985; and the first $1 trillion budget in fiscal year 1987. The budget for fiscal year 1993 was over $1.4 trillion.

Under current projections, Government spending will continue to rise, using capital that would be put to better use by the private sector to create jobs. To starve the primary engines of economic growth of needed capital is to risk our long-term economic security.

Mr. President, one of the most pernicious effects of the enormous deficit beast is the interest cost required to feed it. Interest on the Federal debt in 1993 amounted to nearly $293 billion. That is more than total Federal revenues in 1975. Interest alone is more than all revenues that came to the Government in 1975. Last year's interest costs took 26 percent of all Federal revenues and 57 percent of all individual income tax revenues. If we just take individual income tax revenues, this $293 billion takes 57 percent of all those individual tax revenues.

OMB projects that interest on the debt will rise substantially over the next 5 years—substantially. It will pass the $300 billion mark in 1995 and reach $373 billion in 1999. CBO's estimates are even higher, with $311 billion in interest in 1995 and $382 billion in 1999.

Opponents of the balanced budget amendment suggest that we cannot afford to cut the deficit more than the Clinton plan does because decreased social spending will have severe adverse effects. But, think of how much we could do in crime control, defense, disaster relief, health, science, and education if we had that $300 billion in interest available next year. Think of how much we could do if we had it every year thereafter.

I do not understand the logic of continuing to waste over 20 percent of our entire budget on interest on the rationale that we cannot afford to cut spending. What we cannot afford to do is to continue to throw away one-fifth of our budget on interest payments.

It is important for everyone to understand this point: 20 percent of our entire budget cannot be used to purchase a single textbook, innoculate a single child against disease, conduct a single scientific experiment, pave a single interstate highway, prosecute a single violator of Federal laws, or keep a single soldier in MRE's.

Twenty percent of our entire Federal budget is thrown right down the drain and is spent for absolutely nothing of value to the taxpayers. It is interest on our burgeoning debt.

Mr. President, let me just put one or two things more in and then I am going to stop and yield to my colleague. To help my colleagues put this in even better perspective, gross interest on the debt in 1993 amounted to more than the entire defense budget, which was $292.4 billion. It was 97 percent of Social Security payments. We spent $302 billion last year on Social Security. It was 55 percent of all discretionary outlays, which were $542.5 billion; and 44 percent of all mandatory programs, which cost us $666.9 billion.

The nearly $293 billion of gross interest costs in 1993 could have covered our entire health spending, including Medicare and Medicaid—they were $207.6 billion, all veterans benefits and services—$19.3 billion, unemployment compensation—$35.5 billion, our entire international discretionary budget, $21.6 billion—and could have also covered the cost of the earned income tax credit of $8.8 billion. All of that we could have paid for out of this $293 billion.

Without the gross interest on the debt we would not even have had a deficit last year. In fact, we would have run a budget surplus of $38 billion.

Interest on the debt is wasted money. Over the next 5 years of deficit reduction under President Clinton's plan, OMB's own calculation is that interest on the public debt will total roughly $1.7 trillion. Over the next 5 years, we will pay over $1.7 trillion in interest alone. This amount could fully fund the entire 1994 budget for us, with money left over for social programs, or defense, or whatever else we could decide to use it for.

Interest compounds and it gets larger by itself, even without new deficits. And if interest rates go back up, the problem is going to be increased exponentially. These figures could go up dramatically. And if anybody thinks we are going to have interest rates stay at the current low levels, they have to be crazy. In fact just yesterday Alan Greenspan said we are probably going to have short-term interest rates go up. Self-propelled interest costs are going to eat a larger share of our National Treasury, destroying our choices to fund new programs and eroding our ability to keep the commitments we have already made.

Mr. President, I have taken a lot of time on this, but these are really important things. It is important for us to realize this is not a game here. This is not a bunch of people coming up with a gimmick. As I say, if this was a gimmick, as OLYMPIA SNOWE said, it would have been passed already because they would have gotten it behind us just as they did with some other gimmicks that were supposed to be good solutions.

We are talking about amending the Constitution, putting a rule of budget discipline into our basic law, which all of us are sworn to uphold, and which I believe we will uphold since it will be in the Constitution. But to get there we have to have 67 votes in the U.S. Senate. We just simply have to have them to pass this amendment.

Frankly, I believe we can get them but it is not going to happen unless everybody out there gets on the phone, starts writing, calling, and doing all that they should to bring pressure on the White House, to bring pressure on my fellow Senators, to bring pressure on Members of the House, and of course to let people know in this country that, by gosh, it is time to put a stop to this kind of profligacy. If we do not do it we are going to reap the whirlwind. But more important, our kids are going to get stuck with debts that are going to make their lives miserable all the rest of their days.

It is time for us to be responsible. This is the best way to be responsible. It is the only way that those of us who support this amendment can see that will get us to be responsible, and will put fiscal discipline into all of our lives in a way that we will have to do what is right.

I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Illinois.

Mr. SIMON. Mr. President, I yield myself 2 minutes here.

I thank my colleague from Utah for his remarks. Those graphs just spell out why we have to act.

I ask unanimous consent to have printed in the RECORD an editorial from the Chicago Tribune that appeared today. It was just handed to me. The Chicago Tribune in former years opposed the balanced budget amendment. But they are now for it and say, in the final paragraph:

> Changing the basic charter of the Nation is not something to be done lightly or frequently. But if safeguarding the fiscal integrity of the Nation is not a sufficient reason, what, pray tell, would be?

I also ask unanimous consent to have printed in the RECORD an editorial supporting the balanced budget amendment that appeared in the Atlanta Constitution.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, Feb. 23, 1994]

AN AMENDMENT THE NATION NEEDS

The federal budget deficit next year is projected at roughly $170 billion. It is a measure of how distorted our expectations have become that we think of that as progress.

Only $170 billion is to be added next year to America's $4 trillion-plus mountain of national debt. Only $170 billion more is to be handed down as a legacy to our children and grandchildren.

Of course, when measured against the $250 billion to $300 billion deficits of just a couple years ago, $170 billion really is progress. And Congress and the president deserve a measure of credit for lowering the red ink to that level.

But they have not thereby demolished the case for the proposed balanced budget amendment, which the Senate began debating Tuesday and—if the proponents can sway a few more votes—may finally pass later in the week.

As cussed and discussed as any legislation in recent American history, the balanced budget amendment is a desperate but necessary device for restoring discipline to the management of the nation's treasury by Congress and the president.

Just how undisciplined that process has become is indicated by the size of the national debt and the rapidity of its growth over the past dozen or so years. In 1981, the debt was less than one-fourth its current size. In other words, in 13 years, the nation accumulated three times as much debt as it did during its first 200 years. That way lies fiscal ruin.

During the same time, Congress contrived every manner of statutory gadget to rein in its prodigality, but nothing could stand long against the impulse to spend. Even last year's Clinton deficit-reduction plan barely squeaked through—with no votes to spare.

Critics of the balanced budget amendment made a host of arguments, many specious but some quite serious. Among the latter are the possibility that the courts ultimately will come to control the federal budget, as litigants spar over the meaning of phrases like "outlays" and "receipts" and "revenue." But that speculative danger must be weighed against the demonstrated reality of a budget process that is out of control and requires discipline.

Critics also assert, correctly, that a balanced budget is not always desirable as a matter of economic policy. Nolo contendere. That's why the amendment allows for its suspension by Congress during wartime, or any time three-fifths of the members of each house can be persuaded to vote for a specific deficit.

Changing the basic charter of the Nation is not something to be done lightly or frequently. But if safeguarding the fiscal integrity of the nation is not a sufficient reason, what, pray tell, would be?

[From the Atlanta Journal and Constitution, Feb. 17, 1994]

AMENDMENT WOULD BRING DISCIPLINE, ACCOUNTABILITY

In the decade-long battle over a constitutional amendment to balance the federal budget, comes now the Washington Monument Syndrome. The Clinton administration, busy adding $1 trillion to the national debt over the next four years, is pulling out all stops to defeat the amendment in the U.S. Senate. In time-honored Washington fashion, the administration is warning of calamity—widows and orphans in the streets, veterans made destitute and perhaps even the Washington Monument closed.

But the administration is wrong. The federal government and Congress need the discipline of law to rein in the red ink of 25 years of deficits. This time around, supporters are led by Paul Simon (D-Ill.), whose liberal credentials are impeccable. A two-thirds vote is needed for passage in the Senate. If the House agrees, the amendment would go to the States.

What's most important in Simon's proposal is its requirement that any deficit spending be approved by three-fifths of the Senate and House. It is likely that the recorded accountability of voting for red ink would force representatives to have a good reason and to look as hard for spending cuts as they do for taxes.

It is understandable that the administration would oppose such discipline. Even in what the President calls a tough budget, federal spending is increasing by more than $300 billion, far above the rate of inflation. Discipline forces innovation. Congress has proof at hand. When the Gramm-Rudman-Hollings Act was in place, the deficit for the last year of the Reagan presidency dipped below $170 billion. Even the ill-starred and tax-ridden deficit reduction plan of the Bush administration has had an effect, helping Bill Clinton point to lowering deficit.

A balanced budget amendment would place meaning in budget debates. It would not be a straitjacket in times of national emergency, but a set of guard rails for a Congress speeding on the interstate of spending. With the conversion of liberals such as Simon to the cause, it has a chance in the Senate. Let the chance become reality.

Mr. SIMON. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time in the quorum be allocated evenly between the proponents and the opponents.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll. The time for the quorum will be evenly divided.

The bill clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I yield to the distinguished Senator from Idaho, one of the prime cosponsors of this amendment who has worked so hard, such time as he may need.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, as we debate this most important issue——

Mr. BYRD. Mr. President, will the Senator yield just for a suggestion?

Mr. CRAIG. I will be happy to.

Mr. BYRD. It is my suggestion that the side that puts in a quorum should charge that quorum to their side. I was not on the floor when the request was made that the time be equally charged. I prefer that we do it the other way, and I will object to requests that it be equally charged.

If I see that the floor is not being used by any Senator I will be here and I will use some of my time or I will charge it against my side. I do not think either side should take advantage of the other side's absence from the floor and get consent that the time be equally charged. That is all I have to say.

I thank the Senator.

Mr. CRAIG. I will be happy to yield to my colleague from Illinois.

Mr. SIMON. I certainly do not want to be taking advantage of the distinguished President pro tempore. In fact, I have not learned yet how to take advantage of the distinguished Senator from West Virginia. He seems to know these rules a little better than all the rest of us.

I just think it is important that we somehow balance the time so that we end up—real candidly, we do not want to use up our 5 hours and the Senator from West Virginia get the last 5 hours here.

Mr. BYRD. Will the Senator from Idaho yield for me to respond?

Mr. CRAIG. I am happy to yield.

Mr. BYRD. I agree to what the Senator has said with respect to the necessity of kind of keeping some balance of the time here. But if the Senator, when he feels disposed to do this again, namely, charging the quorum call to both sides—if he would kindly give me a ring at my office, I will try to get up here.

Mr. SIMON. I will be pleased to do that. I thank my colleague from Idaho for yielding.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, last evening, as we began this important debate in relation to a balanced budget amendment to our Constitution, there was some suggestion that economic policy ought not be a part of our Constitution; that it was bad to place in the context of the Constitution economic principles or economic courses and directions that, in the argument of the opposition, did not fit or were not proper in the constitutional setting.

For a few moments this morning, let me discuss that issue because I think it is very important that we understand that economic policy has always been a part of our Constitution and that, depending on your point of view and how you read the Constitution, our Founding Fathers were very, very specific in suggesting that economics was an important part of the consideration and, most importantly, rights and freedoms necessarily clarified in the Constitution.

Governance inescapably involves addressing the question of economics. Moreover, our Constitution is replete with economic policy. For example, it refers to private property rights. Of course, in the days of our Founding Fathers, private property was the essence of economics. It was the foundation of wealth. It remains so today. It was spoken to in the Constitution. It prescribes constitutional and executive roles in Federal fiscal activities, such

as raising revenues, spending and borrowing, provides for uniform duties, imports, excises, discusses the regulation of international commerce, discusses coinage and the value of money, and deals with counterfeiting and patents and other economic issues.

Let me tell you, Mr. President, that is economics. It may not quite be economics in the sense that the Wharton School would discuss it today in some grand economic scheme or economic modeling that would come about through econometrics, but it was the economics of that day, it is without question the economics of today, and what we do as it relates to the Federal budget is economic policy. I would argue that the amendment as it has been crafted is clearly as important and can be a clear part of our Constitution.

The test is not whether or not an amendment is economic policy, but whether it encompasses a broad and fundamental principle that it is relevant, not transitory, and its importance is far-reaching in scope over time. Those are really the fundamental tests, Mr. President, as to whether an amendment, proposed either by this body or the other or by a constitutional convention, fits the constitutional prescription, the language necessary.

So while some would argue that this is not fitting, I would clearly argue that in today's context, as 200-plus years ago, it is clearly fitting. Our Founding Fathers spoke to economic policy and economic principle. It was embodied within the Constitution in all contexts that I have just spoken to, and our amendment today is relevant and fits, in my opinion.

Then should the Constitution dictate such details as a budgetary period, a fiscal year? It was argued last night that the devil was in the details and that the details would not work. Some such reasonable parameters, I believe, are necessary to provide for an enforceable amendment. Our Founding Fathers knew the particulars; they were clear in their language. We must be clear in our language if we are going to be constitutionally responsible in sending forth an amendment for the States' consideration.

Again, the authors are receptive—I am receptive—if somebody can come up with a better way of perfecting change that would clarify more current periods of fiscal responsibility, but we know, the world knows, what a fiscal year is. While we might by the law of the majority here decide to change what a fiscal year meant, we could not change what it would then provoke, and that would be a set time for budgeting purposes by which we would judge our performance and allocate resources for such performances. That is what a fiscal year meant, or we could call it a fiscal period.

While I would suggest Senate reports 99-162 and 99-163 suggest using a fiscal year—that does come from the Judiciary Committee—it is responsible statutory language; it is, without question, in my opinion and in the opinion of constitutional scholars who helped craft this document, responsible language to be used within the Constitution.

There is another question: A debt limitation. Why should Senate Joint Resolution 41 differ with previous balanced budget amendment revisions in that it requires a three-fifths vote to raise the limit of the Federal debt held by the public? There is the important and operative word. Last night, the chairman of the Appropriations Committee suggested that the three-fifths vote was not the responsible vote, and I would argue that if it is referring to debt held by the public and we are incurring debt on the head of the citizen, I would argue that the right of the citizen to be debt free of its Government and that economic freedom is a fundamental freedom and that public debt denies that economic freedom, then a three-fifths vote is very accurate.

It requires a supermajority vote to amend the Constitution. Therefore, by amending the Constitution to deny the right of free speech, to deny the right of all of the Bill of Rights or any of the principles embodied in the Constitution, our Founding Fathers were very clear that it would take a supermajority; that it would be extremely difficult for this Congress to propose to the citizens of our country any deviation away from the principles embodied within the Constitution.

What we are debating today is a new principle, a principle of economic freedom and, therefore, a procedure by which this Congress could not encumber public debt or force the public to hold greater debt unless it was of an extraordinary nature.

So I would argue that the language we have used is very clear. When the Social Security and other trust funds run surpluses, we have talked about how that debt will be handled. It does not register as public debt; it registers as gross Federal debt when it is borrowed from the trust funds and moved to the Treasury. That is how this would operate. We believe it is very clear in the amendment and, therefore, it strongly justifies the use of the language. We argue that it is constitutional.

Even Professor Laurence Tribe of Harvard, a leading opponent of the amendment, told the Senate Budget Committee in 1992 that the Jeffersonian notion that today's populace should not be able to burden future generations with excessive debt does seem to be the kind of fundamental value that is worthy of enshrinement in the Constitution.

Last night you heard that argued differently by Senator BYRD. There are others who are as strongly opposed to this amendment as he but would argue that the principle involved in the amendment that we discuss is clearly worthy of constitutional consideration.

We are debating an attitude. We are debating a philosophy. We are debating a fundamental change in the principles that our Government is guided by, and I believe that they are strongly worthy of the Constitution and constitutional language. I think it is appropriate that we debate it in those contexts, and I think it is most inappropriate, Mr. President, for anyone to come to the floor and argue that it cannot be or that it should not be a part of our constitutional considerations.

Over the decade and a half that it has taken to craft this amendment and to refine it to ensure it meets the test of our constitutional scholars in this country, we believe that test is met. We think it very, very important that this language meet those tests and that we have accomplished that, both in language and in principle. We talk about a freedom. We talk about the freedom from debt. We talk about the inability of our Government to continue to incur public debt and, therefore, we talk about the responsibility of the vote of the supermajority and the extraordinary environment that would require or call for that kind of debt creation. That is part and parcel of the total debate that we are involved in. Through the course of this debate over the coming days, I will continue to point out on a section-by-section analysis of this amendment that it fits both the charge that it must be constitutionally worthy and that it is responsible constitutional language to propose to the citizens of this Nation for their consideration.

I retain the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CRAIG. Mr. President, I will be happy to yield such time as he may consume to Senator HEFLIN.

The PRESIDING OFFICER. The senior Senator from Alabama is recognized.

Mr. HEFLIN. Mr. President, I appreciate Senator CRAIG yielding me this time. I appreciate the "senior Senator." Usually I am introduced as a senior citizen. But I am sure most Senators who enjoy that status have had the same thing happen to them.

I am coming to the floor, as I have on numerous occasions, as an original cosponsor of Senator SIMON's resolution calling for a balanced budget amendment to the Constitution.

The first bill that I introduced when I came to the Senate 15 years ago was a resolution calling for a constitutional amendment to balance the budget. With each Congress since that time, the first bill I introduced was a constitutional amendment resolution.

When we first started out on this path toward adopting such a resolution

to bring about a constitutional amendment, there were a great number of people who were opposed to it, and there were different ideas about how to proceed. But I think Senator SIMON's support of the amendment has given it impetus which can mean success. He represents an element in the Senate that looks very carefully at what is in the best interest of the country. That is not to say that others do not, but he is of a philosophy that sometimes means conservatives do not usually agree with him. Therefore, I think his support has given it additional support and has picked up votes. That is one of the reasons we have urged him to assume the leadership role pertaining to this constitutional amendment requiring a balanced budget.

I am pleased with reports that have come forth in recent days that the anticipated deficit for 1995 will not be $300 billion, but only $170 billion. Part of the success for this anticipated reduction in the deficit is the omnibus deficit reduction plan that was passed by the Congress and signed by the President, under his leadership. Also, it is probably due in some degree to a turnaround in the economy and the increase in commercial business transactions.

But, the anticipated reduction is based on interest rates that are pretty well stable today. When we stop and think of the fact that $295 billion in interest is to be paid from our budget—$295 billion is what the report of the committee shows as the interest that is being paid on the national debt—we have to stop and look at what would happen if all of a sudden interest rates were substantially increased. The $170 billion anticipated deficit would soar.

Interestingly enough, I looked in yesterday's Wall Street Journal, and I read that 3-year Treasury bills which the Government buys are listed at 3.33 percent. A year ago, they were 2.92 percent; 6-month Treasury bills were 3.43 yesterday. A year ago, they were 3.01. Treasury bills under a 10-year period were 6.04 yesterday. A year ago they were 5.89. These are showing an increase. But it is not out of the realm of reality, possibility, or probability that interest rates within a period of time of 1 year, 2 years, or 3 years may double.

If they do double, what does that mean for the deficit? We could be paying, instead of $295 billion a year interest on national debt, $600 billion.

Interest rates at 6 percent were normal for many, many years. It may well be we will return to that stage of normal interest rates in the not-too-distant future. I point this out to show that that is a real danger here if we assume only the rosiest scenarios.

(Mr. AKAKA assumed the Chair.)

Mr. HEFLIN. Even if the economy continues to grow and the gross national product increases tremendously, an increase in interest rates would devour the anticipated savings that would result from the deficit reduction plan that was passed by Congress. An increase would eat up the anticipated reduction that we are anticipating regarding the deficit in the 1995 fiscal year. All of these are not only possible, but probable.

We are already hearing reports that interest rates are going to go up. Yesterday, Alan Greenspan testified to that effect. Hopefully, we are not going to get into an inflationary spiral. But when you stop and think that some 15 years ago, interest rates were at 20 percent, what would interest rates at a stage of 20 percent—or even 10 percent—do to the deficit that we would have to operate under?

Therefore, it comes down to the fact that the monster out there is interest, and we have to adopt this constitutional amendment requiring a balanced budget or else we are going to be faced with horrendous deficits in the future if interest rates go up, regardless of deficit reduction plans, and they probably will go up.

So I urge my colleagues to think about the future, to think about interest rates, to think about the amount of interest that will have to be paid on the national debt, and the percentage of the entire budget that will have to be allocated toward interest payments.

Last summer, when we passed the largest deficit reduction legislation in history, we were standing at a unique place in time and history with regard to addressing our most pressing structural economic problems. The American public, through countless opinion surveys, consistently ranks deficit reduction as one of its paramount concerns. What we did last summer was the right thing to do. And we are beginning already to see the benefits from this legislation. But as we all know too well, this is not nearly enough. The temptation to spend is still a mighty one to resist for Congress.

I believe in the inherent good sense of the American people. I believe that good sense has opened millions of eyes and even hearts to the fact that America has been victimized by more than a dozen years of borrow-and-spend Federal fiscal policies that have run up a horrendous $4 trillion national debt. The public is saying enough is enough. This irresponsibility must stop. There is a sense of urgency for protecting the future of our children and grandchildren. The question is whether we will act further with an even more bold step to not only reduce the deficit but to eventually wipe it out completely.

If we do not seize this opportunity, the best chance we have had to pass the balanced budget amendment, we might not get another opportunity anytime soon. Make no mistake. The clock is running on this amendment. Unfortunately, our viable alternatives are few. We must finally begin to service and reduce our debt or our Nation will face the miserable consequences of bankruptcy.

We are deeply and sincerely committed to doing something about deficit reduction. The American people by all accounts are prepared to do their part. This is one of the few times in my decade and a half in the Senate that I have seen such an array of forces converged in an attempt to address this pervasive problem.

Indeed, it is rare that we ever have a committed public and a majority of Congress aligned on any economic issue, much less one that strikes at the very soul of our free Republic. But we need more than just a simple majority. We must get 67 votes to send this resolution to the House of Representatives. The bottom line is this: For the second time since the debt began mounting, we have the momentum to take bold and decisive action to begin reducing it. It is an opportunity to build on what we started last summer. I am fearful that if we do not act this time and finally send this amendment to the States for ratification we will lose that momentum, perhaps never to regain it.

So we can continue to wring our hands and play the blame game, or we can act. There is plenty of blame to go around in both branches of Government, in both parties, about how we came to this point. But the time has come for the blame game to end and for us as a body to accept responsibility.

Winston Churchill once said "If we open a quarrel between the past and the present, we shall find that we have lost the future." We can argue forever about what might have been done in the past to avoid the debt we face. We do not have the luxury of replaying the past, but we do have the present. And the quarreling of the present will only impact our future security. Let us heed Churchill's warning and cast a vote for the future.

I implore all of my colleagues to stop the blame game and the wringing of hands, and to vote for a new beginning with this resolution calling for a balanced budget amendment to the Constitution.

Let us give it to the States, where it should be fully debated, analyzed, and voted on. This is as it should be, because amending the Constitution is gravely serious business. That is why the process is so difficult. But the States should have the opportunity to decide this issue. I urge you to support this historic effort at deficit reduction by stepping up to the plate and accepting responsibility.

It is what we have been elected to do. The economic future of our Nation depends on fulfilling that responsibility.

Most of the criticism that I have read recently centers on the concerns that such an amendment places fiscal policy

in a straitjacket and upsets the balance within Congress, and between Congress and the executive and the judicial branches of Government. These two issues are legitimate points of discussion. But the real point to be remembered is that the Nation's budget deficits are simply out of control, and a drastic dose of constitutional medicine is required and must be taken in order to restore this Nation's health.

While we welcome the news a few weeks ago that our deficit is far below that which was originally predicted, this does not in any way negate the need for a balanced budget amendment. It just means that our deficits are growing at a slower rate, a testament to the effectiveness of the economic and deficit reduction plan passed and signed into law last August.

The resolution Senator PAUL SIMON has offered, and which I strongly support, would mandate that total Federal spending must not exceed total receipts. Our constitutional amendment would require a three-fifths vote of the entire membership of both the House and the Senate to override this requirement. Further, the President would be required to submit to Congress a balanced budget on each fiscal year, and a majority of the entire membership of both the House and the Senate will be required to raise taxes.

Finally, Congress would have the authority to waive the requirement that the budget be balanced in the event of a declared war or of eminent and serious threat to national security. The truth is that this great Nation can no longer tolerate running runaway deficits and the exorbitant annual interest payments which can reach as much as $315 billion in fiscal year 1993 on the $4 trillion national debt.

Our Nation must recognize that the adoption of such an amendment will require that tough decisions will have to be made by the President and the Congress in order to get its fiscal house under control. Spending will have to be cut, taxes may have to be raised, and certainly we will have to set national priorities more clearly and deliberately as we learn to live within our means.

I believe in the good faith and the good will of the American public. It is time to enact this proposal and send it to the State legislatures for debate, consideration, and ratification.

I want to mention one other thing. That is the matter pertaining to the language concerning waiver in the time of a war.

Section 5 stated:

> The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect.

In 1982, when we voted and got 69 votes for this, that was the language. I offered an amendment that failed to carry by only one or two votes, maybe four—I am not exactly sure—which now has been adopted and put into this constitutional amendment.

I remember that my colleague at that time from Alabama, Senator Jeremiah Denton, was instrumental in writing that language. It has now come forward that the provision is in this proposal, which is as follows:

> The provisions for this article may be waived for any fiscal year in which the United States is engaged in military conflict, which causes an imminent and serious military threat to national security and is so declared by a joint resolution adopted by a majority of the whole number of each House which becomes law.

This goes, really, to the problem dealing with national security in that we have fought very few declared wars. Most of the military conflicts that the United States has been involved in have been undeclared wars. Desert Storm was an undeclared war. The Vietnam war was an undeclared war, as was the Korean conflict. At the time in 1982, I attached to the debate and made a part of the RECORD a list of every conflict we had been involved in where force had been involved in which the U.S. Congress had not declared war. I do not remember the exact number, but it is in the neighborhood of 200 or more.

What this would do would be that you could waive it, but it means that the waiver would be tougher to obtain than when you waived it when there was a declaration of war. What it means is that, first, there has to be a joint resolution passed by the House and Senate and signed by the President which, in effect, states that the United States is involved in military conflict which causes an imminent and serious military threat to national security. That would become law. You could then have a vote to waive the requirement of a balanced budget with the requirement of a three-fifths vote in order to go into some sort of deficit spending.

But this is designed to endeavor to make it tough to waive, nevertheless to waive. To me, it is important that we have that provision, because we never know whether we will be faced with a situation like a Vietnam war or a Korean war or another type of military action similar to that. So I think that provision is now an improvement.

Another improvement that has occurred to me is a requirement that you have to have a rollcall vote and a two-thirds vote in order to increase the debt of the United States. When you increase the debt of the United States, the Government continues to operate. But if the debt limit is not increased, Government comes to a halt. That is, to me, the teeth in regard to this constitutional amendment requiring a three-fifths vote. We have always had difficulty getting a majority every time the limit is raised on the national debt. To me, this is the real guts of the constitutional amendment, requiring that the debt limit has to be raised by a three-fifths vote, and it has to be done on a rollcall vote, which is important.

Many times in the past, when people did not want to really face up to the issue of raising the national debt, it has been done by a voice vote. But the idea of having the national debt raised was to put teeth into the operation, to give you another instrument with which to try to control deficit spending. So that was the reason relative to that.

Mr. President, I urge that the constitutional amendment to balance the budget be adopted.

I yield the floor at this time.

The PRESIDING OFFICER. Who yields time?

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. BYRD. Mr. President, I yield to the distinguished Senator from New York such time as he may consume.

Mr. MOYNIHAN. I thank our revered President pro tempore.

Mr. President, I come to the floor directly from a hearing of the Committee on Finance at which the Director of the Office of Management and Budget, our former colleague from the House, the very able Leon Panetta, presented the President's budget in terms that were, for this Senator, striking and strikingly reassuring.

May I say, sir, that from the early 1980's, I found myself often on the floor of the Senate, sometimes in print, saying that in the White House and in the Office of Management and Budget a huge gamble was being made, that a crisis could be created by bringing about a deficit that would force the Congress to cut back certain domestic programs.

The question of how I knew need not be discussed here. But may I say that the person principally involved, Mr. David Stockman, subsequently wrote a memoir of his time in Washington called "The Triumph of Politics," in which he described in detail what happened and how it had gone wrong. When he began to realize that the cuts were not being made, that something awful was happening, he pleaded with the then President and his Cabinet colleagues to do something. Nothing was done.

Of this period, the able journalist and historian, Haynes Johnson, in his wonderful book, "Sleepwalking Through History: America Through the Reagan Years," which was published in 1991, said this. I will simply quote the footnote, and I offer this as credentials.

He says of this Senator:

> He first charged that the Reagan administration "consciously and deliberately brought about higher deficits to force congressional domestic cuts." Moynihan was denounced and then proven correct, except that the cuts to achieve balanced budgets were never made and the deficits ballooned ever higher.

I offer that as a journalist witness to the fact of what I was saying was happening—and it happened.

I began to grow hugely concerned. I began to share the views and the alarms of the President pro tempore, our revered Senator BYRD, chairman now of the Appropriations Committee.

I am not new to the issue of the budget. A decade ago, I was standing on this floor saying, "Do you not see what they have deliberately done, and it is not working?" That crisis was out of control. I found myself, if I may say, having very little influence. No one believed what I said. Well, Haynes Johnson said, "MOYNIHAN was denounced and then proven correct."

People say, "What do you mean create a crisis?" I was going around saying Lenin was not a problem solver; he believed in creating crises. But this crisis got out of hand. I thought it would lead to an ever-ascending deficit in actual amounts and as a proportion of gross domestic product; that this in turn would lead us to a trigger point where the growth in interest on the debt—now 14 percent, incidentally, of our budget—would be higher than the growth of the GDP, and you would be in an unstable situation. Interest would start eating up and you would be led inexorably to "solving your problem by inflation."

A Government such as ours, which has the reserve currency, can do that because everybody else's instruments are denominated essentially in dollars. The technical term, Mr. President, is to monetize the debt, just inflate it away. And we could do that. Oh, we could do that. Only we wake up and the Japanese yen would be the reserve currency and the American currency would be no more indeed.

But, I come here from the Committee on Finance, of which I am chairman, which heard Leon Panetta this morning, to give you the good news that we have it under control.

Senator DOLE was there, and very properly asked if the charts which I will show you in just 1 minute do not reflect the effect of the 1990 agreement which was reached at Andrews Air Force Base, and at which the President pro tempore was the leading Senate negotiator. Mr. Panetta, Senator BYRD and I would all say—the answer is "yes." A beginning, a process which began, and then last year in the budget reconciliation was finally, in effect, fixed. It fell to me as chairman of the Finance Committee to find the 50 votes, plus the Vice President to bring that about, but we did.

Now, here are the numbers. Remember, the point is, if the deficit as a proportion of gross domestic product—that is all our wealth produced in a given year—if it keeps growing, the time would come when the debt, interest on the debt, would start growing faster than the growth of GDP and then you are unstable. Then you are a Third World country—a Third World country, Mr. President.

Here we are. Watch this. In 1989 as a percentage of GDP, the deficit was a little below 3 percent. By 1990, it went to 4 percent, a 28 percent increase in 1 year. Bang, up like that.

Then in 1991, almost 5 percent. Now we are compounding here. We are growing. I hate to use the technique of talking about percentages of percentages, but this measure of the deficit was growing at about 25 percent a year.

Then came the impact of the 1990 agreement, painful and distasteful as it was. And suddenly, from 1991 to 1992, the growth was slight.

Then came 1993 and it began to come down. That is the year we adopted $500 billion in increased revenues or program cuts and put on a hard freeze—no adjustment for inflation, a hard freeze.

And here is the projection—down, down, down, down, down. By 1996, we will be back at 2.3, well below where we were in 1989. And OMB projects we are heading, by 1999, to 2.1 percent. I think we have it under control. And 2.1 percent is a deficit which you would not ordinarily notice in macroeconomic terms.

Let me show you the spending side, Federal spending itself as a proportion of GDP. In 1989, 22 percent. Then, bang, up to 23 percent.

But, look. The 1990 agreement held it where it was; stayed right there in 1992. Then down, down, down, down, down. By 1996, we are back to 21 percent, which we have not been since the early 1980's. We have the curve going the way it was. This is where it would have been.

If I could ask the Senator's patience for just another minute. Here is where we were going. Oh, my God, in 1993, we were headed from a deficit of $250 billion up to $400 billion, no trouble at all. And then that interest compounding problem begins. Now, we are going down, we are going down, we are going down, under $200 billion, under $200 billion this year.

Now it took a lot of pain. And before the President's budget is in place there will be more pain. But it is necessary.

We indulged ourselves in the early 1980's of a fantasy of young men who perhaps had too little experience in the real world and too much power, who thought they could play with fire, create a crisis. The fire spread. Well, we put it out. Grown-up time came.

And, having done that, I have to ask you, are we dealing with a problem of the American Constitution? Did the Constitution put those young men in the Reagan White House in 1981 playing games with supply side economics and then finding, "Oh, that would not work. But great, we will have a crisis"?

First they thought a few reductions in tax rates would pay for themselves. Then they realized it would not. They said, "Oh, a crisis is a good thing."

And then, of course, I can remember Mr. George Will once in about 1984 speaking to a group of businessmen and saying at breakfast: "I have a door prize of a toaster for anyone that will name one program that President Reagan said he would cut during the course of his 1990 Presidential election."

And everybody in the room started looking around to their neighbor, saying, "Why can't I remember one?" Finding their neighbor saying, "Why can't I remember one?"

Mr. Will said, "Don't feel bad about your memory. There was none."

They never intended it, but they created a crisis.

But I would like the President pro tempore to hear me one last moment. He has brought great philosophical and historical rigor and insight to this Chamber. But I would like to add one thing to him, a line from a French theologian named Georges Bernanos. He was Parisian, Jesuit trained, a militant Catholic, who at first was very much to the right, a royalist, but ended up, with the rise of fascism, appalled by Franco, appalled by Munich. Again a supporter of de Gaulle and the Free French.

He said, "The worst, the most corrupting lies are problems poorly stated."

We are taking a problem that arose from the indiscretion and inexperience and perhaps inflated self-importance of a group of young people in a new administration in 1981 and interpreting that problem as a problem of the American Constitution. The American Constitution did not do this. We did not get through two centuries without anything like this problem because of our Constitution. And it will not make any difference to our Constitution save this, and I would like to end on this note because I know that in a hearing before the Committee on Appropriations, James Schlesinger, the Honorable James Schlesinger, former Secretary of Defense, former head of the CIA and so forth, spoke of deficit financing in the past.

It happens—just autobiographical—but it happens. Next July 1 will mark the 50th year from the year in which I joined the U.S. Navy. World War II was raging and the prospects were not very good. Yet we won the war at sea in two incredible battles. Pearl Harbor was a blow to us but not nearly—it was a blow to our pride, perhaps. I am sorry about the men involved. But what they mostly sank—the *Arizona* was a battleship built in 1911 and was not going to do very much good to anybody. The carriers were out to sea, and they were there for Midway.

Do you know when those carriers were built, sir? Not during wartime when we could have exempted them. You cannot build something important in wartime and have it ready. The *Yorktown* was built—the keel was laid

in 1937, or it may have been launched in 1937, either way—when Franklin D. Roosevelt, in the middle of the Depression, had deficits. The *Enterprise*, 1938; the *Hornet*, 1941. Absent those ships built in the depression, with a deficit, we would have lost; Hawaii would have been occupied; California might have been. And then came the Coral Sea. The issue was Australia. We prevailed in the Coral Sea with, again, the *Yorktown* and the fighting lady, the *Lexington*.

Boy, I am glad we had Carl Vinson and his like on this floor to say, "It may increase the deficit, but I want the *Yorktown* built, and I want the *Hornet*, and I want the *Enterprise*." That is what we are putting in jeopardy, the judgment of wise Senators about the state of the world.

With the greatest respect to my friend from Illinois, the Constitution is a precious document. That is where our rights are enshrined and our duties. The Constitution is not meant to establish budget procedures. We are perfectly capable of doing that. We have shown in these last few years since 1990 that, all right, a crisis got out of control, we finally realized what was going on, and we did something about it.

Here it is: Down, down, down. I will speak more on another occasion about the degree to which this amendment puts in jeopardy the Social Security benefits of all Americans. But for the moment I would like to say it is—I am happy to say, fresh from a hearing in the Finance Committee with the Director of OMB: The crisis has passed. It is required of us that we keep to the commitments we made, but we have made them and they are showing results.

Mr. President, I yield the floor. I see the distinguished Senator from Illinois is here.

Mr. SIMON. Yes. If my colleague would stay for just a few minutes?

Mr. MOYNIHAN. I am happy to do so.

Mr. SIMON. I wish I could be as sanguine and optimistic as my colleague is. This, those down years——

Mr. MOYNIHAN. Right, that is what we are talking about.

Mr. SIMON. That is a great tribute to Senator PATRICK MOYNIHAN in addition to being a great tribute to Bill Clinton. They made some tough decisions. I remember the Senator coming into the Democratic caucus and saying, "We did this because we had to." I even wrote down the words when he said that.

We need some similar compelling action.

If I can point out, the real key here is the percentage of deficit relative to GDP.

Mr. MOYNIHAN. Yes.

Mr. SIMON. But it is going back up, according to OMB. You have 1996. But if you take a look, it goes back up to 3.3 percent in the year 2004, and up from there, according to GAO.

The GAO account says, and I will be happy to give this to the Senator——

Mr. MOYNIHAN. This is OMB. You have CBO. This is OMB.

Mr. SIMON. All right. But then if you take GAO's report of June of 1992—and I recognize things have changed, changed somewhat. We have taken the first step and it was an important step. I was pleased to support it. But GAO predicted in June of 1992 that by the year 2020 we would have in excess of 20 percent deficit relative to GDP.

Mr. MOYNIHAN. In 1992. Before the 1993 legislation.

Mr. SIMON. That is correct. That is adjusted down somewhat. But GAO tells me the same basic trends are there. And no nation has come anywhere close to that without, as the Senator points out, monetizing the debt.

Mr. MOYNIHAN. The Senator is correct, it goes to 3.3. This is my colleague's document.

Mr. SIMON. Right; 3.3.

If the Senator can take a look, this is an OMB—part of this four volume thing we just got. Look at the top there. "Lifetime net tax rates under alternative policies," the graph at the top.

Mr. MOYNIHAN. Yes.

Mr. SIMON. Look down to 1930—I was born in 1928. You will see I will spend about an average of 30 percent. The Senator from New York, born roughly the same time, maybe a little before me, roughly the same.

Mr. MOYNIHAN. Yes. Yes.

Mr. SIMON. But down to the bottom. It says future generations—way down at the bottom there, next-to-the-last line. You go over with reconciliation and with health care reform and with all the optimistic assumptions, 10 years solid growth, no dip: Future generations, lifetime net tax rates of 66 to 75 percent.

The Senator from New York knows that just is not going to happen.

Mr. MOYNIHAN. That is not going to happen.

Mr. SIMON. What happens before that, according to history—and maybe we can be the first country since ancient Florence and all the others not to do this—what happens is then you start monetizing the debt. You start printing the money.

I think, as you look at these long-term trends, that is where we are headed. I wish I could be as optimistic as the Senator from New York, but I think the hard realities suggest something different.

Mr. MOYNIHAN. Will the Senator yield for a question?

Mr. SIMON. Certainly.

Mr. MOYNIHAN. Simply to say I thank the Senator for the factual way in which he responded to our facts, the Office of Management and Budget. I congratulate the Senator, as I always do, on a civil discussion here. We have large issues to be decided.

I think in the future growing deficits can be prevented, with the likes of Senator SIMON on this Senate floor, the likes of Senator BYRD and Senator MURKOWSKI, for that matter, by our own choice as Senators, and we need not have an amendment to the Constitution. But that is the debate we are having.

I thank you for allowing me the time. The President pro tempore has been most generous of his time. I will return to the floor when you have time for me.

Mr. SIMON. Let me just add, in terms of amending the Constitution and on financial things, Thomas Jefferson, of course, favored an absolute prohibition against Federal borrowing, and Alexander Hamilton later—Thomas Jefferson and Alexander Hamilton did not agree on much but they agreed that it would have been wise to have done this.

Mr. MOYNIHAN. May I say, Alexander Hamilton was not present in Philadelphia when the Constitution was decided.

Mr. SIMON. Neither was Thomas Jefferson.

Mr. MOYNIHAN. I have to agree, and I regretfully agree, part of the agreement by which Alexander Hamilton arranged for the Federal Government to assume the Revolutionary War debt of the States, which he did—a magnificent enterprise—the only portrait that hangs in the back room of the Finance Committee today is Alexander Hamilton of New York. In order to do that, he made the supreme sacrifice of moving the Nation's Capitol from its natural site on the banks of the magnificent, lordly Hudson Valley to a swamp on the Potomac.

Mr. SIMON. And you have never forgiven him for that.

Mr. MOYNIHAN. I have never ceased to honor the patriotism with which he put forward fiscal solvency first. Thank you, Mr. President.

Mr. SIMON. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Mr. President, if I may take a couple minutes before my friend from New York leaves the floor, I congratulate him, I salute him, I greatly admire him. I think he has contributed enormously to the debate, and I look forward to the hour and the day when he will return to the floor and discuss the matter of Social Security, about which he has had so much to do over the years and throughout several administrations.

May I ask the distinguished Senator from New York, with respect to monetizing the debt, at the end of World War II, was not the debt more than 100 percent——

Mr. MOYNIHAN. More than 100 percent of GDP.

Mr. BYRD. Did we monetize the debt then?

Mr. MOYNIHAN. No, we paid that.

Mr. BYRD. What is the proportion today of the debt to GDP?

Mr. MOYNIHAN. About 52 percent at this point and under the President's budget will begin to go down.

Mr. BYRD. Yes. So I think we need to consider history again, that has been referred to here and point out, as the distinguished Senator from New York [Mr. MOYNIHAN], has just done, in 1945, when I was a welder in the shipyard at——

Mr. SIMON. Baltimore.

Mr. BYRD. Tampa, FL. No, I went south at that point. I was a welder in the shipyards, in the McCloskey Shipyard in Tampa, FL. I was there the day the war ended, but we did not monetize the debt then. And at that time, as the Senator from New York has pointed out, the debt was 100 percent or more——

Mr. MOYNIHAN. Or more.

Mr. BYRD. Of the GDP.

Mr. MOYNIHAN. Yes, sir.

Mr. BYRD. Second, may I say to my friend from Illinois, he is looking at the budget outlook on page 29 of the book entitled "The Economic and Budget Outlook, Fiscal Years 1995 to 1999."

Mr. SIMON. That is correct.

Mr. BYRD. He pointed to the deficit in the year 2004 as being anticipated as $365 billion; right?

Mr. SIMON. That is correct.

Mr. BYRD. But the distinguished Senator did not cite the information on the preceding page, page 28. This is on my time, Mr. President.

A year ago, CBO projected the deficit would top $650 billion in 2003; by last September, CBO had chopped its projection to $359 billion. The enormous improvement during that 6-month period was almost wholly attributable—

Listen to this—

was almost wholly attributable to the enactment of an ambitious deficit reduction package. The newest projection for 2003, a deficit of $324 billion—

Coming down as the Senator from New York aptly, correctly said—

is only a minor revision in comparison. Of the $35 billion revision, two-thirds stems from higher revenues as CBO has upped its estimate of potential growth, and one-third from lower interest costs as CBO has trimmed its estimate of Federal debt.

Of course, these extrapolations are not as detailed as CBO's usual 5-year estimates. Rather than produce a meticulous 10-year projection for every program in the budget, CBO attempts simply to judge the likely trends in broad clusters of spending and revenues. And great uncertainties surround such long-range extrapolations. The economy's performance is a big question mark; these projections are predicated on continued growth in real GDP of 2.3 percent annually in the year 2000 through 2004, on inflation of 3.1 percent, and on short-term and long-term interest rates * * * of 4.7 percent and 6.2 percent, respectively. The economy is bound to deviate from these assumptions in ways that cannot be anticipated.

So the estimates cannot be accurate. They never have been.

Mr. MOYNIHAN. Do I not recall a word: Floccinaucinihilipilification?

Mr. BYRD. Yes, floccinaucinihilipilification, meaning valueless; without value; trivial.

I thank the distinguished Senator, and I thank the distinguished Senator from New York.

Mr. SIMON. Mr. President, I will just take 1 minute, I say to the Senator from Alaska, if I could simply point out to my friend and colleague from New York before he leaves, I have a letter from Charles Bowsher, the Comptroller General of the United States, dated February 18, in which, among other things, he says the deficit problem, of course, has not gone away, the forces for escalation of the deficit are here, and it remains a very serious problem.

Fred Bergsten, you will remember, former Assistant Secretary of the Treasury and one of the finest economists I know, testified last week in behalf of the balanced budget amendment and said:

The so-called correction we are seeing is by no means an up. It will leave us with an abysmally low national savings rate. Productivity simply cannot pick up by the requisite amount. We will continue to have very slow economic growth, high unemployment, lagging standards of living in the future.

Obviously, there are differences of opinion.

Mr. MOYNIHAN. There are differences of opinion.

Mr. SIMON. I respect my colleague but, again, no matter if he votes wrong on this issue from my perspective, he has contributed immensely to this Nation by providing the leadership that got us to the reconciliation last August. That grandchild that he had about a year ago or so is going to have a better future because of what he did last August, and I am proud to be his colleague.

Mr. MOYNIHAN. The Senator is very gracious.

Mr. SIMON. I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The ACTING PRESIDENT pro tempore. From whom does the Senator from Alaska seek time?

Mr. MURKOWSKI. The Senator from Alaska seeks time on the side of the Senator from Illinois.

The ACTING PRESIDENT pro tempore. Does the Senator from Illinois yield time?

Mr. SIMON. How much time?

Mr. MURKOWSKI. If the Senator from Alaska could have 15 minutes.

Mr. SIMON. I yield 15 minutes to the Senator from Alaska.

The ACTING PRESIDENT pro tempore. The Senator has 15 minutes.

Mr. MURKOWSKI. Mr. President, I rise today as a cosponsor of the pending resolution and as a Senator who believes that amending the Constitution to require a balanced budget is simply the last remaining option that we have to contain and ultimately begin to reverse the spiral of red ink that has been hemorrhaging from Washington for more than 30 years now.

Mr. President, I think if we allow this opportunity to pass, if we are unable to garner the two-thirds majority necessary to adopt this resolution, we will have lost a singular opportunity to move this country in the direction of long-term fiscal responsibility.

Without this amendment, one thing is certain. The Federal deficit and the national debt will continue to erode our capacity to respond to the economic and social challenges of the 21st century.

Mr. President, as a former banker, it just astounds me to see this continued budget process where, after financing various Federal programs, year in and year out, we find ways to spend more and just add to the deficit and debt. Yet we mandate in our society that you balance your checkbook. If you do not have the money, you have to borrow it. That is what we have done, Mr. President. We have borrowed it, and we have done it over such an extended period of time that we have accumulated over $4 trillion in debt. And we are obviously going to have to pass that debt on to our children and grandchildren.

Now, Mr. President, there is nothing inherently wrong when the Federal Government must turn to the credit markets to borrow funds to cover a financial shortfall resulting from an unexpected or emergency circumstance. A review of our Nation's historical borrowing practices clearly indicates that for most of our history, Federal deficits have not been the rule but, indeed, have been the exception. A little historical background, perhaps.

In the first 120 years of our Nation's history, Federal outlays exceeded revenues by a mere $1 billion, and even after the turn of the century, outlays and revenues were generally in balance. It was only when we entered the First World War that the Federal Government was forced to turn to the credit markets in a major way. And that was in 1918 and 1919, when the Federal Government ran huge deficits to cover the cost of our participation in the war.

But after the war ended, Government revenues and outlays then returned to balance. In fact, we ran a surplus in every year during the decade of the 1920's. Federal deficits became a tool of countercyclical fiscal management as part of the Roosevelt administration's efforts to counteract the devastation wrought by the Great Depression, we all recall. And when the United States entered the Second World War, Federal borrowing exploded. It exploded to the point where the national debt actually exceeded our gross domestic product. But again as soon as the war ended, the Government began to return to fiscal

balance with revenues exceeding outlays up until the beginning of the Korean war. And again, in the 1950's, the Government enjoyed a surplus in several years and endured deficits in recessionary years.

But starting in 1961 and continuing, Mr. President, for 33 out of the last 34 years, the Federal Government has been running an unbroken stream of deficits—every single year for the last 33 out of 34 years.

What are the future deficit trends? I think that is what we have to reflect on as we begin this debate. There is simply no end in sight. In fact, CBO projects that the deficit will more than double between 1997 and the year 2004 from more than $180 billion to $365 billion—a billion dollars for each day of the year. Moreover, contrary to what the administration has indicated, CBO projects that if the President's health care reform plan is adopted, it could add another $135 billion to the deficit over this period.

Mr. President, this unending stream of deficits has caused us to accumulate, as I indicated earlier, over $4 trillion worth of debt, approximately $4.5 trillion, as a matter of fact. That is likely to exceed $6.3 trillion before the end of the century, which is less than 6 years away. Left unchecked, the debt will double in 10 years to $9 trillion, with annual debt service costs consuming approximately $335 billion. That is what it will annually cost to service that debt. That is interest on the debt, Mr. President. That represents more than half of all the discretionary spending projected for the year 2004; more than half will be interest.

Mr. President, we can no longer labor under the assumption that business as usual in Washington assumes that every year we can run deficits of $150 billion, $250 billion, or $350 billion. The accumulation of this debt has today brought us to the point where for the first time in our history we are forced to borrow, forced to borrow from the credit markets for the sole purpose of paying interest on the debt. So we are borrowing now to pay interest on the debt, and not paying the principal.

Mr. President, the reality is we are broke when we have to borrow to pay interest on the debt. That may come as a shock to this body, but reality dictates that this Nation is broke from a cash point of view if called upon to meet our obligations. And the emphasis again, Mr. President, is we are now borrowing to pay interest on the debt.

It may surprise some people to know that over the next 5 years, we would be running a surplus in the Federal budget if we did not have to pay the $200-plus billion interest bill that has resulted from our inability to bring revenue and spending into balance. But we are not free of that interest burden. In fact, we will pay out more than $1.752 trillion in interest over the next 5 years, and by the end of the century, interest expense will exceed the cost we will pay for national defense. I repeat, Mr. President: By the end of the century, interest expense will exceed our costs for national defense.

Mr. SIMON. If my colleague will yield on that point.

Mr. MURKOWSKI. I will be happy to yield to my friend from Illinois.

Mr. SIMON. The figure that the Senator is using is a figure that Senator FRITZ HOLLINGS points out we should not use, and that is net interest. There is no area of Government where we subtract the earnings before we calculate the interest. So that the interest paid to the Social Security fund, for example, is not counted as interest on net interest. The gross interest, which really is the figure we ought to use, is already in excess of what we spend on defense.

So the figures that my colleague from Alaska is using are very conservative figures in terms of what the costs are. I have to believe if the American people understood that, they would say we have to do something to get ahold of this.

I thank the Senator for yielding.

Mr. MURKOWSKI. Mr. President, I appreciate the point of my friend from Illinois, and I commend him for his diligence in leading this effort, which is in the best interest of our Nation, not only for our own internal security but the health and vitality of America. I say to my friend from Illinois, as a banker by profession, I can tell you that interest is like owning a horse that eats while you sleep. It provides no jobs. It goes on day and night. Its productivity is very hard to identify. It is only identifiable for those who receive it, but for those who are paying it, it is a cost of doing business.

The theory of interest is that you can make money with some borrowed money by investing it and doing something like increasing inventory, increasing jobs. But what we are doing with interest as a Government is simply mortgaging the future because with the debt that we are continuing to pile up and the interest that we are having to pay, we are finding now that we are having to borrow to pay the interest.

There are those who say, well, this can go on. But reality dictates that it cannot. If there is anything we can learn from history, it is that what goes around comes around. And the day of reckoning will happen. I will explain very briefly how it is going to happen, Mr. President.

Because in the last year, the Federal Government has been able to take advantage of low short-term interest rates, it is my understanding that they have converted more than 20 percent of the debt into Treasury bills with a maturity of less than a year. That is a good thing to do because interest rates are low. Although this short-term money management strategy has reduced our annual interest bill, it opens the Federal Government to great financial risk should interest rates rise. And what goes up comes down.

Over the next 5 years, Mr. President, we are going to have to refinance the vast majority of our outstanding debt. We are going to have to refinance 82 percent of that debt over the next 5 years. The administration's budget, which projects that we will spend more than $1.172 trillion in interest expense, assumes that 10-year Treasury notes will carry interest rates at only 5.8 percent. That is the assumption. Testimony from Fed Chairman Alan Greenspan casts grave doubt on that projection, and it should be noted that as of today, 10-year notes are paying more than 6 percent. So we are already off on our projection.

Mr. President, I remind those who have short memories of December 1980. The prime rate in the United States was 20.5 percent—as few years ago as that was.

So to suggest that it cannot happen, Mr. President, is not reality. It can happen. As we look at rates today, with Treasury notes paying more than 6 percent on 10-year notes, and yet an assumption that the rates will be only 5.8 percent, I would again remind my colleagues that in December 1980 the prime rate was 20½ percent. Where would we be in this Nation today with those kinds of rates? We would be completely broke.

According to CBO, if interest rates rise only by 1 percent, the Government will have to pay an additional $150 billion in interest charges on top of the $1.1712 trillion projected. That would mean that by 1999 our annual interest rate would approach $300 billion, which is $30 billion more than the entire Federal budget was barely 20 years ago.

Mr. President, again I say we are broke. We are borrowing just to cover our interest costs. We are subject to shifting winds of international investment flows where a minor change of economic policy in Bonn, Tokyo, or London has a direct effect on the U.S. Government and our ability to service this unending sea of debt.

Again, can anyone imagine what would happen if the owners of our debt—and I might add that 18 percent of our debt today is held by foreign interests—called that debt? If they called in more than the $4.5 trillion of debt that is held out there both foreign and domestic? How would we pay the owners off? We could not unless we inflated our dollars to the point that what $1 buys today would actually be worth perhaps 10 cents. Let us remember, Mr. President, money goes to the highest return and the least risk. That is where investment goes.

In order to maintain the borrowings that we need, we simply have to pay the going rate. We have no other alternative.

So we are placing ourselves in a very dangerous position, beholden to those that can look at the United States and say the United States has to have this money at any price, and in competition with other areas, Bonn, Tokyo or any other country willing to offer high interest yields.

But we have no leverage. We are simply going to be dictated at some point in time by those capital markets that look at the United States as the highest return with the least risk but can move out tomorrow, and with our short-term borrowing position, that could happen in a relatively short term. That is where we are because again interest rates will rise.

Some have argued that we do not need to amend the Constitution to achieve a balanced budget. It is said that all we need to do is find a bipartisan solution that we can enact into law so that we can achieve the desired results. But history suggests that legislation will not resolve this issue. On three occasions, Mr. President, over the past 10 years, legislators on both sides of the aisle sat down with our President. They hammered out so-called solutions to solve the deficit, and on every occasion the promise of a zero deficit has evaporated because we in Congress have never had the political courage to do the one thing that would bring down the deficit—reducing spending. We have voted to raise taxes on more than one occasion, but we have never yet cut or frozen spending.

We have never faced up to the challenge of runaway entitlements which today account for 52 percent of Federal spending and will grow to 59 percent by the end of the century. Quite the contrary. We have generally placed entitlement spending off limits in all of the budget deals that have been negotiated over the past years.

I am going to go over three charts very briefly because we have a history of sounding tough about budget agreements that we give birth to in this body. The first chart shows the promise and reality of Gramm-Rudman one which we all remember which we adopted in 1985. As you can see, Gramm-Rudman was supposed to bring the deficit down from $171 billion to a zero over a 6-year period ending in 1991. The deficit was supposed to come down basically by $36 billion a year. But in reality, in 1991, instead of a zero deficit, we were at a record of $269 billion. So there went Gramm-Rudman, all the reality, all the dialog, all the promises.

Let us move to chart No. 2.

The second chart shows the revision we made to Gramm-Rudman in 1987. Most of you will recall that debate. This was going to fix everything. In that year, we revised the original targets. This time we promised a zero budget by 1993. Quite frankly, this agreement was an even more astounding failure than the original Gramm-Rudman. But it was not the fault of the authors, Senator GRAMM and Senator Rudman. It was the fault of Congress because Congress found enough ways around the law that when the deficits were supposed to be $100 billion in 1990, it turned out to be more than double. It was $221 billion, and in 1991 the deficit was supposed to be $64 billion. Instead, it was more than 400 percent higher, a record $269 billion.

In 1992, the deficit was supposed to be $28 billion. In reality, it was 1,000 percent higher, at $290 billion. Of course it was clear, Mr. President, that none of the targets were even remotely met.

So President Bush entered into the summit agreement that we all recall. He broke his no tax pledge which I think was a disaster, and the American public was again led to believe that we were finally going to get a handle on the deficit.

Here is chart No. 3.

This chart shows how the deficit was supposed to come down as a result of the 1990 agreement. Unlike the earlier budget agreements, this time the deficit targets were allowed to be adjusted, and the deficit targets did not include off-budget trust fund balances. What this chart shows is that by 1995, the on-budget deficit was expected to be only $83 billion. In fact, the chart shows the actual deficit is 270 percent higher, at $225 billion.

What these charts show is that there is no reason for the public to really put its trust in the Congress or the Congress' ability to come up with a budget plan that will eliminate the deficit.

History repeats itself. There are three of them. We all remember them. We were all a party to them. And the consequences are where we are—we have not addressed the deficit. Quite the contrary. In the 10 years since we enacted the first Gramm-Rudman law, spending has increased more than 53 percent, from $990 billion to more than $1.5 trillion. Interest payments increased 57 percent, from $136 to $213 billion; and the national debt more than doubled, from $2.1 trillion to more than $4.5 trillion. So there is the history of it, Mr. President.

What is the future? What is even more disconcerting is that the administration, which opposes this amendment, and which a year ago was able to get congressional Democrats to go along with a $500 billion tax increase, appears now to have abandoned the goal of bringing the deficit under control. Its latest budget shows an unending stream of rising deficits and debt, with no solutions recommended.

President Clinton told us his health care reform program would help bring down the deficit. But the reality is that his proposal for massive Government intervention in the health care market does not reduce Government spending; it adds $135 billion more Government spending, and larger Federal deficits are in the future.

Mr. President, our incapacity to seriously address the deficit ensures that we are going to pass on to future generations a Government strangled by debt and incapable of making the investments in education, public health, resource development, and scientific research that will enhance our future standard of living. The only way to guarantee that we break our addiction to debt is to try what is before us—and I commend the Senator from Illinois again—which is to amend the Constitution. The proof is in the pudding. Nothing else has worked.

Mr. President, some of my colleagues here, including the distinguished chairman of the Appropriations Committee, have raised serious questions about the propriety of including this amendment in our Constitution. One of the most important issues that has been raised is that the amendment could make it impossible for the Federal Government to respond to an emergency such as we recently saw in California; or that the Federal Government could exacerbate an economic recession by having to raise taxes or cut spending at precisely the most inappropriate moment.

Critics of the amendment fail to recognize that the amendment has a degree of built-in flexibility. We are not rigidly locked into achieving balance in every year. Under the amendment, Congress has the authority to waive, by a three-fifths vote, the requirement for a balanced budget in any year. There is a safety valve. None of us would deny victims of a flood or earthquake access to relief funds, nor to turn a mild slowdown into a recession.

Mr. President, I remind my colleagues that we have not been in a recession for 33 of the last 34 years; yet, we have been running deficits for all those years. A little food for thought. What this amendment aims to do is to make deficit spending the exception rather than the rule. When unforeseen circumstances that affect the national interest require us to run a deficit, I am quite confident Congress will respond appropriately.

Much has also been made of the fact that since the amendment relies on estimates of receipts and outlays, situations will surely develop when estimates turn out to be incorrect. I have no doubt that will occur since the art of economic estimating is far from an exact science. However, when Congress adopts statutory language to implement the amendment, we can surely write into law default mechanisms that would address the estimating problem. For example, if it turns out the actual outlays during the year exceed projections by more than 2 percent, we can require that such a shortfall be made up in the next fiscal year. That is just one example of how we can address the problems inherent in economic forecasting.

The limitations of economic forecasting should not be allowed to deter us

from achieving our ultimate goal—to bring spending into balance with revenue.

Finally, there is no doubt that we are going to face some very, very hard choices if this amendment is adopted. But we have put off those tough choices for far too long. The price for our continued inaction will be paid by our children and grandchildren, and their grandchildren. We were not elected to make easy choices, Mr. President. Let us take the last remaining step we have to right the course of this Government and adopt the pending amendment.

I thank the Chair and yield the floor.

Mr. SIMON. Mr. President, I will just take 1 minute. I commend my colleague from Alaska—and particularly since he is a former banker—for his comments about interest. We are really at a fork in the road where we are going to determine whether we are going to have higher interest rates in the future or lower interest rates.

It was very interesting that the Wharton School, last Thursday, projected that if this passes, 30-year bonds would drop from 6.5 to 2.5 percent. That is a very, very significant thing that I am sure my friend from Alaska understands. I am not here guaranteeing that is going to happen, but I do not think every projection is that interest rates are going to go down if we pass this. I think it would be a great boon to our Nation. I thank my colleague.

Mr. DOLE. Mr. President, is leader time reserved?

The ACTING PRESIDENT pro tempore. Yes.

Mr. DOLE. Mr. President, I congratulate my colleagues on the floor, the Senator from Illinois, Senator SIMON, Senator CRAIG, and my friend from Alaska, Senator MURKOWSKI, for making a case, which I will be making later, in support of the balanced budget amendment.

My view is that it is going to be very close. There are undecided Senators on both sides of the aisle out there. Hopefully, we will have an opportunity to listen to some of the statements being made. I know it may be a difficult choice for some. I think, as the Senator from Alaska just pointed out, it is the right choice. I hope we can prevail, not just because we want to prevail, but because we are concerned about the next 20, 30, 40 years in our country and about future generations.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. SIMON. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia [Mr. BYRD].

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, at this time I wish to address just a few of the problems that I have with the constitutional amendment that is proposed by Mr. SIMON and others, and a few of the points that have been raised during the discussion.

Mr. President, Mr. SIMON, the very able and distinguished Senator from Illinois, with reference to the provision that requires a three-fifths majority, section 1, where total outlays for any fiscal year may exceed total receipts for that fiscal year, then a three-fifths majority of the whole membership of each House can provide for a waiver.

As I indicated last evening, that three-fifths majority vote may be pretty difficult to get.

Section 2 again refers to a three-fifths supermajority.

Section 2. The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by rollcall vote.

Mr. President, with reference to section 2 in particular, we are talking about the debt limit, the fact that it may have to be increased.

What if it is not increased? What if it is not increased? We are talking about debt that we have already accumulated and we are about to have to raise the debt limit. We already owe the debt and it is necessary to raise that debt limit because it is necessary under certain circumstances to add to the debt. I have seen that situation arise here in the Senate a good many times. What if we do not raise it? Social Security checks will not go out. The Federal Government will shut down. Veterans compensation checks will not go out. Veterans pension checks will not go out. So what are we going to do? We have to raise that debt limit.

I can remember the games that were played here when we were in the minority. We Democrats would say, "Let us let them"—the Republicans who were then in the majority—"Let them produce the votes. We will help them, but let us make them walk the plank. So hold back your votes," we would say to our colleagues.

As majority leader, I would say to my colleagues, "Hold back your votes and let us make the other side walk that plank because they have made us walk the plank in the past when we were in the majority."

So those games are played. They are political games and they are partisan games. Perhaps they should not be played but, realistically, they are played and they will be played in the future.

The point I am making is, it is difficult to produce 51 votes to raise the debt limit. The debt limit is seen as a horse which is sure to get through to the President's desk. Many Senators on both sides of the aisle have played games with that horse and tried to add this rider or that rider, this amendment or that amendment, knowing that the amendment will reach the President's desk because that is a bill that has to go, or else Government will shut down. So, there are games played with that bill.

Now we have this amendment saying:

The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

That means 60 Senators must provide by law for such an increase by rollcall vote once this amendment is welded into the Constitution. We cannot do it with 51 votes anymore, or with 49 votes in the event there are only 97 Senators voting. We have to have 60 votes of the whole number. If there is a snowstorm and only 60 Senators are able to get to the Capitol, we may be able to get a majority of the 60. We may be able to get 31 votes but that will not be good enough. If only 60 Senators can make it to the Capitol, in a snowstorm, we will still have to produce 60 votes in order to raise that debt limit. This is really playing with fire, playing with dynamite.

If 70 Senators are able to get to the Capitol we shall have to get 60 of that 70; not 35 plus the Vice President's vote to break the tie, 35–35; not 36 out of the 70. We will have to produce 60 votes out of 70 in the case of one of those January ice storms that we have seen during this winter.

Now, that is tough. Let me remind Senators of a very recent situation in which it was tough to get a majority and, as a matter of fact, we did not get a majority of Senators. That was last year when we passed the budget deficit reduction package that had been worked out between the President and Members of the House and Senate. We produced how many votes? We produced 50 votes in the Senate. We have 100 Senators; we produced 50 votes. We did not produce a majority. We produced 50 out of 100 votes, and the Vice President had to break that tie because not a single Member on the other side of the aisle—not one Republican in this body or the other body—voted for that deficit reduction package last year for various reasons. Some of them did not like the fact that it raised taxes on the wealthy.

The point I am making is that it is extremely difficult, if not impossible at times, to get 60 votes when partisan politics are involved.

So what did we do? We had the Vice President of the United States come up and sit in that chair and cast the vote

breaking the tie. Vice President GORE used to be a Member of the Senate, but he was not a Member of the Senate last year when he cast that tie-breaking vote. He was the Vice President of the United States. He is not a Member of the Senate. So we had to depend on the Vice President of the United States, who is the Presiding Officer over this body under the Constitution, but not a Member of this body. We had to depend upon him to get us across the line, and he just barely got us across. In other words, we got 51 votes out of 101 votes by having the Vice President.

So do not let it be said that getting a three-fifths vote is always easy. It is not. It is not easy to get cloture always. My good friend from Illinois, Mr. SIMON, will remember the stimulus package of last year. He and I supported that stimulus package, but we were never able to get 60 votes to stop a filibuster on that stimulus package. Eight times I tried to get 60 votes when I was majority leader in the 100th Congress to invoke cloture on legislation dealing with campaign financing. I was not able to do it, eight times. Robert de Bruce, a king of Scotland in the 14th century, tried the 7th. He succeeded on the seventh time. ROBERT BYRD tried eight times and never succeeded. I knew that we would not produce that 60 votes. So it is not always easy to produce a supermajority vote.

As I said last evening, and I shall emphasize today, placing these new supermajority requirements into the Constitution is contrary to majority rule, and majority rule is a fundamental principle underlying our Constitution. It is a fundamental principle underlying a representative democracy. In a democracy, the majority rule. That is a basic undergirding principle in the Constitution of the United States. This amendment would violate that majoritarian principle.

We have five instances in the Constitution in which there is a supermajority vote required. Article V of the Constitution provides for the amending of that organic document by a supermajority. The Constitution also requires a supermajority requirement to override a Presidential veto. It requires a supermajority vote in the Senate to approve the ratification of treaties. It requires a supermajority in either House to expel a Member, and it requires a supermajority in the Senate to convict a President or any other Federal officer under an impeachment proceeding.

Well, why can't we add another supermajority? That is what the distinguished proponents of this amendment are saying: Why can't we add another one?

Mr. President, there is a great difference in the subject matter of the supermajorities that are required in the Constitution and the new supermajority that would be written into the Constitution as a requirement under this amendment. The supermajorities that are in the Constitution deal with matters concerning which, if the supermajority is not secured, then the status quo remains and the status quo is acceptable. If we do not get a supermajority in the Senate, two-thirds, to approve the ratification of a treaty, well, we just won't have that treaty. We will go on as we did before.

If we do not get a supermajority in the Senate to convict a person who is impeached, well, things will go on as they were. The status quo will govern.

If we do not get a supermajority to override a Presidential veto, the bill that he vetoed is back at the starting gate. We were unable to override his veto. We stick to the status quo. We start all over again. We try again the next year to pass the bill. We have done that before—pass bills in successive Congresses, bills which were vetoed but we came back and tried them again. So the status quo is acceptable.

In the case of the expulsion of a Member, if we do not get the two-thirds, he or she remains a Member.

The underlying status quo remains if we fail to get those supermajorities that are written into the Constitution. In the case of article V, that supermajority has its own rationale. If we cannot get two-thirds in both Houses to adopt a constitutional amendment, the rationale is self-explanatory. As to convicting an impeached officer, that two-thirds requirement is for the protection of the checks and balances principle. Who would say that we should convict the President of the United States, the Chief Executive, by a majority vote? The framers did not believe it ought to be that easy. They were thinking about checks and balances.

It would be easy to rupture the checks and balances between the executive and the legislative branches if the House could impeach a President and the Senate could convict him by a majority vote. Thus, there is a check-and-balance principle in that requirement for a supermajority to convict the Chief Executive or any other executive officer. The same exists with regard to impeaching Supreme Court members or other Federal courts. A two-thirds supermajority is required to convict. Again, that principle derives from the principle of checks and balances in our Constitution.

Now, we are talking about nailing into the Constitution a new supermajority requirement dealing with economic policy. Checks and balances are not involved.

(Mr. DORGAN assumed the chair.)

Mr. BYRD. In this case, we are talking about microeconomic policy when we talk about balancing the budget, whether we have to raise taxes, whether we have to cut spending or have both. And we are talking also about a circumstance that may be very desirable at one time but very undesirable at another, a balanced budget at one time or another is desirable. But there are times when it is not desirable, as in the case of a recession. In the Eisenhower administration, the Eisenhower administration went quickly from a $3 billion surplus to a $9 billion deficit. It did so within four quarters. And so there are times in a recession when a balanced budget is not needed or desired.

On another day, I expect to talk about the power of the purse. I may wish to talk a little about English history on that occasion.

Today, I wish to make reference to a very great fear that I have, the fear being that if this amendment is adopted and if it is ratified by the necessary three-fourths of the States, it will have the inevitable result of bringing the courts into the equation.

Oh, you say, they will not come into it. They do not get into a political thicket. Well, it is not just that it is a thicket. It is a political thicket. But the courts in recent years have been showing a proclivity to get into those political thickets.

We would have an amendment to the Constitution that says in section 1: "Total outlays for any fiscal year shall not"—no maybe, no perhaps—"exceed total receipts for that fiscal year."

No ifs, ands, or buts.

Total outlays for any fiscal year shall not exceed total receipts for that fiscal year.

I will pause right there.

So the American people are going to be told we have balanced the budget now. We passed the balanced budget amendment. What a great day this is. We have at last now had the courage.

I hear it said that we need courage to vote for this amendment. You talk about where courage is needed. You vote against this amendment. That takes courage. Vote for it. That is easy, because it sounds good. It does not raise one dime, not one thin dime, not one dime that has worn so thin you can almost see through it. Not one thin dime in taxes does it raise, nor does it cut one copper penny out of any program. How easy!

Why had I not thought about it before? My, what a great idea this is. We just adopt this little piece of paper.

Where is that little piece of paper? Here it is. How easy that is. Adopt that little old piece of paper and you mean to tell me we are going to balance our Federal budget? Yes, sir, because this little piece of paper says so. Section 1:

Total outlays for any fiscal year shall not exceed total receipts for that fiscal year.

Well, let us see what another section says.

Now, another section of this amendment says that Congress shall have the power—section 6 I believe it is—yes, section 6. All in this same little piece of paper. Section 6:

The Congress shall enforce and implement this article by appropriate legislation which may rely on estimates of outlays and receipts.

In the first section, we say:

Total outlays for any fiscal year shall not exceed total receipts for that fiscal year.

Section 6 says, well, we do not exactly mean what we say in section 1. Congress is going to have to enforce this by legislation, and it says, in section 6, no, we will not balance the budget. What we will do is balance the estimates. We are going to balance the estimates. Section 1 says we are going to balance the budget. We are going to balance outlays and receipts to the penny. We go over to section 6. Well, we do not quite mean that. We need only to balance the estimates.

"Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates"—estimates, estimates—"of outlays and receipts."

The Constitution does not say that a particular bill requires a different procedure from any other bill, except it says that revenue bills shall start in the House. The House shall initiate revenue bills. That is the only instance, regarding bills, in which there is a difference in process required by the Constitution between the two bodies. Revenue bills shall be initiated in the other body, the House, but the Senate may amend such bills, as in the case of other bills.

We passed a crime bill in this body last year. It has not been enacted into law yet. But suppose in that crime bill there are certain receipts, or in the Interior appropriation bill there are certain fees collected from visiting parks or whatever. Wait a minute. When is a fee a fee, and a fee a tax?

I have been reading about some disagreement between the President of the United States and CBO with respect to health care legislation. CBO says that an employer mandate would be a tax. The President says, oh, no, that would not be a tax.

Now, as Alexander Pope said, "Who shall decide when doctors disagree?" Well, when we have a disagreement of that nature, and we have this amendment written into the Constitution, who is going to decide? The courts. The courts are going to decide. Why? Because the Constitution is law. It is positive law. It will trump any other law passed by the Congress, any law. The Constitution is the supreme law. And judges, Federal and State, take an oath to uphold that Constitution.

While they may sometimes find ways to avoid getting into thickets dealing with some political questions, one thing they will not avoid is the aggrandizement of power by one branch over another. They are sworn to uphold the law, the law being the Constitution. And it is the responsibility of the judges to interpret the law. With this amendment to the Constitution, the courts will become an active player. When the judicial branch gets involved in taxation and appropriations, then my friend, Mr. SIMON, who spoke about "taxation without representation," you will have it. When unelected judges, who are appointed for life, get into that matter, you will have taxation without representation. The people would say, who elected those judges to impose taxes on us?

So a citizen, or a group that has standing would go into the court and say, well, this park fee is a tax, or the money generated in this crime bill, that is a tax. And under this new amendment to the Constitution, bills raising revenues are required to have a majority of the whole membership of both bodies. That crime bill did not have such a majority. Moreover, they would allege, if it were the case, that the Crime bill—which raises revenues—did not start in the House where the constitution says revenue bills shall begin. It started in the Senate. Moreover, it did not have the Constitutional majority of 51 percent of the whole membership of both Houses. So, Mr. Judge, this bill that imposes this tax on me is not constitutional. Section 7 of article I of the Constitution says revenue bills are to be initiated in the House. Well, I think the judges would have to agree.

In some instances, the President's advisers would say, well, now, Mr. President, section 1 of this new amendment that has been riveted into the Constitution states that outlays shall not exceed receipts. Those men and women up on the Hill, they argued, they went around and around on the head of a pin, but they have not acted to bring outlays and receipts into balance. They have not lived up to the Constitution. Therefore, it is incumbent upon you because you have the sign on your desk, Mr. President, "The Buck Stops Here." You should impound moneys.

Oh, the President might say, "I cannot do that. Don't you remember the Budget Impoundment Act of 1974? That says I cannot impound money."

Oh, but, Mr. President, his advisors would respond, the Constitution is the supreme law. This new provision in the Constitution trumps the 1974 act. You have a responsibility to uphold this Constitution. So you should impound the funds.

Heretofore, the President's advisors have said that he had inherent powers as Commander in Chief to impound or to exercise a line-item veto or to rescind. They will no longer make that argument. They will say that the new constitutional amendment gives him that power.

So, the President may order the Social Security Commissioner not to send out the Social Security checks or to reduce the payments in order to bring outlays and receipts into balance.

He may also decide to include veterans' compensation checks, or to close down a number of veterans hospitals, or whatever. A recipient of Social Security payments will say, "By law, I am entitled to have the full payment I have been used to getting. And look at my new check here. It has been reduced 20 percent, or 10 percent, or whatever. I want what is due me."

Therefore, the courts may order Congress to raise taxes. Taxation without representation? Yes. We fought one war over the principle of "taxation without representation." We may have to fight another one.

The courts, the most ill-suited branch of the Government, get into the complex matter of balancing budgets—deciding what constitutes an "outlay" or a "receipt," what is "off budget," what is "on budget." The courts are most ill-suited for that. They are not equipped to do that. Those are questions meant to be left to the elected representatives of the people.

Judges do not stay in contact with the people, as do politicians in Congress. They are not like the itinerant justices in the time of Henry I, who reigned in England until 1135, or Henry II, who reigned from 1154 to 1189. Henry II increased the number of itinerant justices from the curia regis who went out into the shires in the country and held court. He also increased the number of writs, because that was additional money for the crown.

Members of the Federal and State courts, honorable though they be, are not equipped for that job. They are very ill-suited. But, this amendment places, ultimately, the most ill-equipped, ill-prepared branch of the Government in charge of balancing the Federal budget. I am very, very concerned about that.

We have been quoting Hamilton and Jefferson and Madison and George Washington. Well, Hamilton was conservative. He liked the idea of having a strong Executive. He was one of the 39 signatories of the Constitution. What did he say in the Federalist Papers, No. 78? Hamilton and Jay and Madison decided that in the State of New York they would need to write essays that appeared in various papers in New York State in support of the Constitution. The vote was going to be very close in New York on ratifying the Constitution. In Federalist 78, Hamilton said:

The executive not only dispenses the honors but holds the sword of the community. The legislature not only commands the purse but prescribes the rules by which the duties and rights of every citizen are to be regulated. The judiciary, on the contrary, has no influence over either the sword or the purse * * *

The judiciary is, beyond comparison, the weakest of the three departments of power.

That is not ROBERT C. BYRD talking. That is not the owner of the little dog Billy Byrd talking. It is Alexander

Hamilton. What did he say? He said the judiciary is, beyond comparison, the weakest of the three departments of power.

What would this amendment to the Constitution do to Hamilton's prescribed role as set forth in Federalist No. 78? It would stand it on its head and it would place into the hands of that so-called weakest of the three departments of power the most complex matters involving fiscal and budgetary policy, which were intended to be left in the hands of the elected representatives of the people. It should give every Senator cause for concern. A case in West Virginia would be proceeding at a certain pace; there would be a case in Illinois proceeding at a different pace; there would be a case in North Dakota proceeding at a different pace. When one considers all of the things that happen in court cases—discovery, arguments, appeals, and on and on—one can understand that those cases, once they are finally decided, may be different in their rationale, different in their results, and it may take years to decide questions that were intended to be debated and acted upon in Congress within a few weeks or months.

Talk about a mare's nest of confusion; talk about opening a Pandora's box—you have it here.

Do we want, ultimately, nine black-robed judges ordering tax increases?

Oh, you think it will not be done? Well, just ask former Senator Thomas Eagleton of Missouri if it can be done. He will tell you to look up the case of Missouri versus Jenkins. It is possible under this amendment.

This amendment will damage the legislative branch, and I will have more to say about that at another time.

Mr. CONRAD. Will the Senator yield for a question on the point the Senator is making?

Mr. BYRD. Yes, just in one moment, then I will yield. Let me finish my sentence.

This will damage the courts. What will be the credibility of the courts? How much respect are the people going to have for black-robed justices who require the legislative branch to raise taxes; unelected justices? Their decisions would meet with cynicism if they began to order tax increases and funding cuts to enforce this amendment.

The judiciary is going to be irreparably harmed, the executive will be harmed, and the legislative branch will be harmed.

I hope that Senators will not look upon this vote as a throwaway vote or as a vote for which they can escape responsibility. They are going to be saddled with a heavy responsibility if this amendment is ever adopted.

Yes, I am glad to yield to the distinguished Senator.

Mr. CONRAD. I have been following this debate very carefully. I have found that one of the concerns I have about the amendment that is before us tracks very closely with the concern that has been outlined by the President pro tempore with respect to the question of the courts becoming involved.

One of the things I have thought about is, as you examine how the courts handle issues of this complexity, it is conceivable to me that under the provisions we have provided in this amendment we might wind up having a determination of the fiscal 1994 budget in 1995.

Mr. BYRD. Absolutely.

Mr. CONRAD. I think it would be most unwise to have a situation in which the courts would have the final power of the purse, perhaps not to decide by line item the budgets of the United States, but as the Senator from West Virginia points out, they might find themselves in a position of ordering across-the-board cuts, they might be in the position of ordering across-the-board tax increases. Is that not conceivable?

Mr. BYRD. Indubitably; absolutely.

May I say that as the chairman of the Appropriations Committee and as the chairman of the Appropriations Subcommittee on the Department of the Interior, I have found in my experience that in order to stay under the caps, in order to stay within the allocations of my subcommittee, the easiest way to do that and, as a matter of fact, the only practical way to do it is to have an across-the-board cut.

The courts may say, "Make it across the board." Then who says Social Security cuts will not result? Who says that veterans compensation payments will not be cut? They can all be cut under this amendment.

Finally, let me say—then I will yield again—no agency, no department, no program, no activity of the Federal Government will be immune from being cut—defense, domestic discretionary, entitlements; everything except interest on the debt.

I yield to the Senator.

Mr. CONRAD. Is it the case in the legal matter that involved the State of Missouri that the Federal courts ordered tax increases for the purposes of schools?

Mr. BYRD. Yes. It involved a civil rights matter in the educational field. The Supreme Court ruled that tax increases could be required of a school district. And the Court reserved to the Court itself the ground of levying that tax if necessary.

Mr. CONRAD. Of course, no one ever elected any judge or, for that matter, selected any judge for the purpose of making budget determinations in the Federal Government?

Mr. BYRD. Absolutely not.

And judicial nominees, when they come up before the Senate, do not want to answer a question on this or that. If you ask them how they feel about capital punishment, they do not want to answer the question because they may have to render a decision on it.

"Now, what is your position, Mr. Nominee, when it comes to imposing taxes in order to enforce section 1 of this new amendment?"

"Well, I might have a case come before me."

I daresay, if this amendment is agreed to, I would be very reluctant to support any judicial nominee who does not indicate to me, one way or another, before I vote, how he is going to stand on this matter.

Mr. CONRAD. If I could I inquire further, I must say I share the Senator's concern about involving the courts. I think that would be most unwise. It would dramatically change what our forefathers handed to us in terms of a constitutional document, the separation of powers which is fundamental to the success we have enjoyed for 200 years in this country.

Is it conceivable to the Senator that there is any perfecting amendment that could be offered to the legislation before us that would take the courts out as the final arbiter?

Mr. BYRD. Yes, it is conceivable. I think it would have to be offered to the amendment rather than at such time as the matter comes back to the Congress to be resolved by legislation. Because if it were put into legislation, then that would probably be unconstitutional in view of the fact that this constitutional amendment did not authorize it.

Yes, I think that would be conceivable.

Mr. CONRAD. Could I ask one other question, and that is on the previous chart with respect to section 6.

Mr. BYRD. Let me again respond to this question before we go to another.

Yes, in this constitutional amendment we could include a provision that would preclude the Federal and State courts from any such involvement here or we could lay down certain limitations.

But, Mr. President, as Chief Justice John Marshall said, "Let us not forget that we are expounding a Constitution."

Let us not forget, if I may paraphrase, that we are amending a Constitution.

Now, to have an amendment here limiting the courts and precluding the courts from becoming involved, would only deal with half of the problem. It does not keep the Executive from exercising the power of the purse. If the courts cannot intervene, it only increases the likelihood that the President himself will take the bull by the horns and say, "I will impound these funds. I will line item this out. I will rescind this and this and this and this," and, as a result, the President acquires a control over the purse that he does not have in the Constitution that has come down to us. Con-

sequently, I would consider that as mortal a danger to the separation of powers and checks and balances as if the courts intervened.

Mr. HATCH. Will the Senator yield?

Mr. BYRD. Let me continue to yield to this Senator first.

Mr. CONRAD. If I might go to the second question, because section 6 also is a great concern to this Senator. It is a concern to me because the language says, "the Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts." I would like to inquire of the Senator, does that not put us back much in the condition that we faced with respect to Gramm-Rudman that held out the promise of a process which would lead us to a balanced budget over a 5-year period? What we found was there was a gigantic loophole in that legislation. The loophole was you could base it on estimates or projections. And we got "Rosie Scenario."

Mr. BYRD. Yes.

Mr. CONRAD. Good old "Rosie Scenario," in which every year we were presented with estimates that simply overestimated revenue, underestimated expenditures. And for the purposes of meeting the requirements of the legislation, once we had passed through the budget cycle and met the projections, we had done the job. And of course the result was the deficit grew geometrically.

Does that not subject us to the same danger with section 6 of this amendment?

Mr. BYRD. It does. But in that instance we were finding a way around a statute. Here we are finding a way around the Constitution of the United States.

In section 1 we say outlays shall not exceed receipts. In section 6 it says, oh, well, we do not really mean that. "Congress shall enforce and implement this article by appropriate legislation * * *" which will balance—not the budget, not balance outlays and receipts, actual outlays and receipts because they can only be balanced after the close of the fiscal year, and I mean a few weeks after the close of the fiscal year, because it is only then that we really understand what the outlays and receipts are—but this will say we do not really have to balance the budget, we can just balance the estimates of outlays and receipts. And we have seen what happens when we deal with estimates.

Mr. CONRAD. And, perhaps, not delivering the promised result at all?

Mr. BYRD. Not delivering the promised result at all.

Let me cite to the Senator what the committee report says, the Judiciary Committee report. When it reported this amendment to the Senate it also submitted its report on the amendment. So here is a chart titled, "What Does Section 6 Mean?" That is the section we were just talking about, which allows the Congress to balance the estimates, which is not what the people are being told at all. Those estimates may be off by billions of dollars—tens of billions of dollars.

Mr. CONRAD. And have been in the past.

Mr. BYRD. And they have been in the past. We have never seen any estimate—and this is not the fault of the CBO or the OMB. It is just impossible. Only God—only God—and He is not being called upon in this debate, He is not going to be asked by the courts——

Mr. HATCH. Yes, he is.

Mr. BYRD. Only God can say, prior to the end of a fiscal year, what the outlays are finally going to be and what the receipts are going to be.

What does section 6 mean, then? The Judiciary Committee reported this constitutional amendment which says two things, balance the outlays and receipts in section 1; balance the estimates of outlays and receipts in section 6.

So there has to be some explanation. Well, what does section 6 mean? Reading from the report.

"This provision gives Congress an appropriate degree of flexibility * * *" Section 1 did not give——

Mr. CONRAD. Any flexibility.

Mr. BYRD. Any flexibility. But "This provision gives Congress an appropriate degree of flexibility * * *" What is an appropriate degree? "* * * in fashioning necessary implementing legislation. For example, Congress could use estimates of receipts or outlays at the beginning of the fiscal year to determine whether the balanced budget requirement of section 1 would be satisfied, so long as the estimates were reasonable * * *" What does that mean? "* * * so long as the estimates were reasonable and made in good faith."

Again, let me refer to the all-knowing, omniscient, omnipresent, omnipotent God. Only God knows what we are saying—what is in good faith. I cannot tell whether the Senator is acting in good faith. He does not know whether I am acting or speak in good faith. But so long as they are reasonable and made in good faith, Congress, then, could say that the requirement is satisfied.

"In addition, Congress could decide that a deficit caused by a temporary, self-correcting drop in receipts or increase in outlays during the fiscal year would not violate the article." So Congress can say that the article is not violated. Congress could say that it is all right to violate it.

"Similarly, Congress could state that very small or negligible deviations from a balanced budget would not represent a violation of section 1." How much is small? In a budget this year of $1.474 trillion, how much is small? Fifty billion dollars? Five billion dollars? Ten billion dollars?

Fifty billion dollars would be small in a $1.474 trillion budget. That is small, is it not? Fifty billion dollars is small? It only constitutes 3.3 percent of total budget. That is small.

We have given you one way to get around this. We have given you two ways. We have given you three ways. Here is another way.

"If an excess of outlays over receipts were to occur, Congress can require that any shortfall must be made up during the following fiscal year." So you can just roll it over.

Suppose the following fiscal year there is a shortfall? Then we merely compound the problems in that subsequent year by rolling over the shortfall in the preceding year. So the committee report itself anticipates that the budget will not be balanced.

Mr. CONRAD. Might I just pursue this a bit further and ask the Senator if, in fact, this would not appear to be ripe for further court intervention? That is, what is reasonable? What is in good faith? What represents very small, or negligible deviations? Would any citizen have standing to go to the courts to question whether or not what was adopted by the Congress represented, in fact, a constitutionally acceptable definition of reasonable good faith?

Mr. BYRD. I do not think that the standing would necessarily be a major problem in a matter of this kind. Some citizens or groups or Members of Congress themselves might have standing.

The point is that somebody somewhere will find a reason to go into court, and the courts will take that case. They will take that case. As one who used to play a few tunes on the fiddle, there was a tune called the "Fiddler's Dream." This amendment is the lawyer's dream, the litigator's dream. You talk about improving the economy. This amendment will really improve the economy insofar as litigators and lawyers are concerned. A lawyer's dream. Yes.

Mr. CONRAD. In fact, we might have a whole budget section over at the Supreme Court. You might see an exodus of the budget experts on Capitol Hill. We would be in a contest with our courts now to have their own budget experts.

If I can make one further inquiry, and that is with respect to what States that have a balanced budget amendment do to avoid or evade the requirements of a balanced budget amendment.

I would be interested in the perspective of the chairman of the Appropriations Committee on what States do. I just had a conversation with a fellow Senator from another State who said in his State they have a balanced budget amendment but they get around it by having off-budget items in which

they go to a taxing district, or some other district that is permitted to issue bonds, to take on debt and then they service that debt by having payments made to that other entity. It is not State government strictly speaking. By that artifice, they avoid the requirements of a State balanced budget amendment.

In fact, I just read last night a study that indicated the vast majority of States that had a balanced budget amendment in fiscal year 1991 actually spent more than they took in. In other words, the vast majority found ways around the balanced budget requirements they have in their own Constitutions by this method of taking things off budget, by shifting the timing of spending and by other artifices that they have creatively, I might say, conjured up. Is it the Senator's understanding that is the case with respect to States?

Mr. BYRD. Yes, that is my understanding. The States—most of them—operate on two budgets: An operating budget and a capital budget. The capital budgets do not have to be balanced and most of the time probably not balanced, and the operating budgets are not always balanced either. States do resort to various gimmicks.

In addition, the States are unlike the Federal Government. Just lay down the constitution of the State of West Virginia and compare that constitution with the Federal Constitution. In the first place, the constitution of West Virginia would be about seven or eight times longer than the Federal Constitution. It goes into all kinds of detail.

In the second place, the constitution of West Virginia does not have to deal with the common defense, the common welfare of this country, national economic policy, international relations, treaties with other countries, interstate and foreign commerce, the raising and supporting of armies, the providing and maintaining of navies. States do not have those things to worry about.

They do resort to all kinds of ways. They put items off budget or they will mandate the counties or the municipalities to carry out some function or program; thus, it does not show up as an outlay on their budget. The Federal Government will resort to the same thing if this is ever included in the Constitution; it will be. And then what happens? The lack of confidence that the American people have today, the cynicism that is prevalent throughout this country will be increased manyfold because they will see that those Senators did not really mean what they said when they adopted this constitutional amendment. They did not balance the budget.

What did they say? They said it is all right to balance the estimates. What did they say? Who will enforce it? This amendment says that the Congress shall enforce it. Well, that is where it is right now. My friend, Mr. SIMON, in essence says: "These Senators get around these statutes; they play games with the statutes; they will amend the statutes; they will say one thing on Gramm-Rudman and the next year they will change that statute and make it say something else. So we have to have something to force us," Senator SIMON says, and other Senators who are supporting this amendment say, "We have something to force us, we have to have this little piece of paper here to force us, to give us the courage, because otherwise we Senators play games. But if we get this constitutional amendment, we know we cannot play games."

What makes you think so? The amendment itself says that Congress shall enforce through appropriate legislation, through statutes which can be amended by us weaklings who need this piece of paper to be strong. Why take 7 years to say—the old tune: 7 years with the wrong woman. Here we are going to have 7 years sending this amendment out to the people to be ratified by their legislatures and after all that time, it comes right back here, where it is now; here among we Senators who cannot be trusted, who do not have the courage, who do not have the backbone, who do not have the spine; we will get around statutes, but the amendment says that is how it is going to be done, enforced by the Congress through appropriate legislation.

Mr. CONRAD. Can I ask, is there any way, in the Senator's judgment, that using estimates, which I think at least some of us see as the Achille's heel of what is before us because of our experience, bitter experience, with Gramm-Rudman which held out so much promise to the American people and failed so completely, is there any way in the Senator's judgment that that defect could be corrected and be workable?

Mr. BYRD. If this balance is done on the basis of estimates, there is no estimate that will ever be accurate.

Mr. CONRAD. In fact, this would encourage inaccurate estimates?

Mr. BYRD. It would encourage inaccurate estimates, and all of the estimates going over the past 10 or 12 years, as I showed on the chart earlier, are off. Some revenue estimates are overly optimistic, others are not. Some outlay estimates are overly optimistic, others are not. The point being that they are always off, one way or the other. To depend upon estimates is a very weak reed upon which to lean.

So the people are going to be chagrined and disappointed. We are being given wiggle room, may I point out to the Senator, when we can use estimates, when the Congress can use estimates under section 2. The President is not being given that wiggle room. There is a section in this amendment which says that the President shall send up a balanced budget. It does not say anything about using estimates.

So the President is being ordered to do something that is far different from what his responsibilities are under the Constitution. He is being ordered to say, whether you like it or not or whether you believe it or not, you have to send up a balanced budget.

Now, from time to time around here some of us have voted the President should send up a balanced budget. The truth of the matter is we played politics when we did that. We tried to point out no President has ever sent up a balanced budget in the last several years, so we played politics. Well, that was a statute. This is the Constitution. This amendment says the President cannot send up what he believes is an honest budget because if he exercises honesty and truth, he is going to have to point out the budget is not going to be balanced. But he is ordered here to send up a balanced budget, a budget in which the outlays will not exceed receipts.

Suppose the President believes that the economic situation is such that there needs to be an unbalanced budget; there is a recession coming on and it will get worse if he does not exercise the countercyclical fiscal tool that has been available to him.

So he may think he ought to send up an unbalanced budget, but he is going to be ordered by this amendment not to do that. Send up a balanced budget in which the outlays do not exceed receipts. That is going to damage the President. It is going to make him a weaker President, and it will do that harm to the checks and balances and separation of powers of the Constitution.

Mr. CONRAD. I thank the Senator for his answers.

Mr. BYRD. I thank the Senator.

Mr. SIMON. Will my colleague from West Virginia yield for 60 seconds, charge it to my time, to also respond to my friend from North Dakota?

Mr. BYRD. Yes. Yes, I will be happy to.

Mr. SIMON. And I will get into the court matter on my time. But the reality is you have to have some form of estimates. And the way that becomes tough—in fact, according to the Senator from West Virginia, too tough—is it takes a three-fifths majority to increase the debt limit. So we cannot play games on this matter of estimates. We are going to have to be realistic. And I think that balance is a good one in this amendment.

Mr. CONRAD. Might I inquire on the Senator's time?

Mr. SIMON. Mr. President, I did not mean to be taking the floor from Senator BYRD.

Mr. BYRD. That is quite all right.

Does the Senator have a question?

Mr. CONRAD. I do. I would not want it to come off the time of the Senator

from West Virginia. I really have a question for the Senator from Illinois.

Mr. BYRD. I will yield my time for the Senator to ask the question. The Senator from Illinois may answer it on his own time or he can use my time, too.

Mr. SIMON. I will answer it on my own time, yes. I thank the Senator from West Virginia.

Mr. CONRAD. The great concern I have—and the Senator from Illinois has been a great ally on the Senate Budget Committee. We have been two who have tried to push for reduced deficits in the period that we have served on that committee together. I just say to him, one of the great concerns I have is what appears to be reasonable on its face, when turned into what we deal with in the budget process, becomes quite different, and that is when you rely on estimates there is so much room for monkey business. And we have experienced it.

With Gramm-Rudman, every year—every year—they would send us a budget that was a total fiction because we knew the estimates that were behind the numbers were false. We knew that they were "Rosie Scenario" with respect to interest rates, with respect to economic growth, with respect to unemployment. So what appeared to be something that was in compliance was, in fact, an absolute fiction and did nothing more than mislead the American people that somehow we were on a course that was going to deliver deficit reduction, and instead resulted in dramatic increases in the deficits.

I am very worried that we have the same prospect here.

We talk about the debt limit. Let me just say that with respect to the debt limit, when you get to the crunch, the question then becomes to every Member in this body, are you going to shut down the Federal Government? Over and over I have been in the position of wanting to stand up and say, "No, filibuster a debt limit, stop it dead in its tracks." And every time my staff comes in and says, "Senator, if we do that, you shut down the Federal Government. You keep the Social Security checks from going to your grandparents. You stop the person from getting Medicare that is in a life-threatening situation. You shut down the functioning of America."

So I really wonder at the end of the day if we have really accomplished what we think.

Mr. SIMON. If I may respond, first, this changes the dimensions of what you do in the Budget Committee. We are not dealing simply with a statute. The Senator and I took an oath when we stood up there to protect the Constitution. This is now part of the Constitution. And when we put that budget together, we know we are not dealing with a statutory thing. We are dealing with requirements that are tough. There is no question it is tough. The Senator from West Virginia said it is tough.

But that, I think, will force reality onto us. It does not mean we are always going to guess right. The Senator from West Virginia is absolutely correct. It is difficult. But I think there will be a different tone of reality in the Budget Committee with this kind of provision in the Constitution.

Mr. BYRD. Mr. President, may I say to my friend from North Dakota, the Senators who are elected today are supposed to understand reality and what it means. When we write this amendment into the Constitution, who is going to decide what reality is? Under section 6, the Congress, Senators, House Members, are going to legislate. They are going to implement this amendment by appropriate legislation.

Now, I hope to be around here, and I expect to be, if it is the good Lord's will—and I am running again this year so I expect and hope that it will be the people's will of West Virginia. What is there in this little piece of paper, this is a constitutional amendment we are debating, what is there in this piece of paper that will enable me to understand reality more than I understand it now? What is there in this piece of paper that will make me face up to reality more in the year 1999 or the year 2000, or the year 2001 than today?

This is the philosopher's stone, my friend would say. This is the magic potion. This is the silver bullet. Somehow or other we will understand reality more. Somehow or other we are going to have more courage in 1999. Somehow or other we are going to be forced to face up to reality.

It is somewhat ironic for me to think that that little bit of paper is going to make any difference, when it is the same people who are managing the budget and fiscal budget in this body today who are going to be managing it in 1999. Maybe not to the individual, but the same group of people.

So let me on this point read these excerpts from testimony before the Appropriations Committee, the hearings on the balanced budget amendment. Gimmicks will occur. Stanley Collander, director of Federal budget policy of Price Waterhouse testified as follows:

The reason a constitutional amendment will fare no better than a deficit elimination state is that there are too many ways for the seemingly straightforward balanced budget requirement to be avoided, circumvented, and evaded.

Of all the gimmicks that would be used to thwart the amendment's goal, Mr. Collander concentrated on 5. The first one he called "the return of the 'Rosie Scenario.'"

The Senator from North Dakota referred to "Rosie" a little earlier, so "Rosie Scenario." The first one Mr. Collander called the return of the "Rosie Scenario." That is the use of overly optimistic economic assumptions such as occurred during President Reagan's presidency under OMB Director Stockman.

Second, he, meaning Mr. Collander, cited the likely tactic of changes in accounting so that outlays would be pushed into future years. An example would be a return to more costly leases by the Federal Government of its buildings and equipment in order to avoid the larger outlays that would occur from purchasing these items.

Third, shifting of revenues and outlays from one year to the next in order to avoid a deficit, delayed obligations, a method already used in the budget, one which Senator BYRD fights against.

Fourth, Mr. Collander says one of the biggest gimmicks would be for the Federal Government to do things through regulations or mandates rather than through spending or taxing. A strong incentive would exist to mandate that State or local government or businesses do certain things rather than the Federal Government spending its dollars for foregoing revenues to accomplish the same ends.

Five, would be the gimmicks of selling Government assets. They, for example, would involve sale of our national parks to private developers and then leasing them back. This would allow revenues to go up and thereby help meet the balanced budget requirement.

Mr. Collander is pointing out the gimmicks that will occur. Yes, in answer to the question of the Senator from North Dakota, the Federal Government will resort to gimmicks. And it will mandate to the States—and the Governors of the States are already screaming about the Federal mandates. Well, just wait until this amendment becomes a piece of that great document, the Constitution of the United States, and see how the Federal Government mandates the States to fund this program or that program, Medicaid, whatever. The Federal Government will use the same gimmicks that the States use.

The distinguished Senator from Utah asked me to yield. I would be happy to yield for a question.

Mr. HATCH. If the Senator will yield, I was concerned.

Mr. BYRD. I will be glad to yield the floor.

Mr. HATCH. If the Senator would, I would like to speak for just a few minutes on the points the distinguished Senator made.

Mr. BYRD. I would be happy to yield the floor. I thank the Senators for their patience, and I thank the Senator from North Dakota for his questions.

Mr. HATCH. I thank my dear colleague from West Virginia and appreciate the comments that he has made.

I also appreciate my colleague from North Dakota and his concern about this amendment because we are all concerned. We want to do what is right here. We want to get our country back in order and get spending under control.

But on a couple of legal matters, I think it would be well if I addressed them for just a few minutes because he has raised some very interesting questions, and others have raised the concern that the balanced budget amendment will give the courts the power and authority to raise taxes.

The concern, I believe, lies in regard to a recent Supreme Court decision, Missouri versus Jenkins. In that case, in 1990, the Court in essence approved a lower court remedial remedy of ordering local, State, or county political subdivisions to raise taxes in order to support a court-ordered school desegregation order.

That is what happened in that case. Intentional segregation in violation of the 14th amendment's equal protection clause had been found in the lower court in a prior case against the school district. So there was, in effect, intentional segregation found by the lower court.

The question the distinguished Senator, it seems to me, has raised is would this balanced budget amendment allow a Federal court to order Congress to raise taxes to reduce the budget? I think the answer is clearly no. For instance, I would just say first, Jenkins is a 14th amendment case. Under 14th amendment jurisprudence, Federal courts may issue remedial relief against the States. However, the 14th amendment does not apply to the Federal Government.

So, literally, that is why they can do it in that case. I do not agree with what they did in that case. I think it is a horrendously bad decision. But that would not be a precedent pursuant to which courts would be able to force Federal taxation through the courts on the American people pursuant to this balanced budget amendment. That is No. 1.

Second, Congress cannot be a party defendant. In order for taxes to be raised, Congress would have to be a named defendant, and in this case, of course, it could not be. Presumably, suits to enforce the balanced budget amendment would arise when an official or agency of the executive branch seeks to enforce or administer a statute whose funding is in question in light of the balanced budget amendment.

I would point out the Riegle v. Federal Open Market Committee case, which said, "When a plaintiff alleges injury by unconstitutional action taken pursuant to a statute, his proper defendants are those acting under the law—and not the legislators which enacted the statute." And the court cited Marbury versus Madison as a precedent in making that decision.

The executive branch official, however, cannot be ordered to raise taxes, because he or she does not have the authority to do so. So there is no way that the Supreme Court is going to order the payment of taxes. And the Jenkins case is distinguished because of the 14th amendment.

Finally, under section 6 of the balanced budget amendment, which is the enforcement mechanism, Congress can limit the type of relief granted by Federal courts to declaratory judgments and thereby limit court intrusiveness into the budget process. This authority arises out of article III's delegation to Congress to power define and limit the jurisdiction of the lower Federal courts.

Having said all of that, let me just mention that there is much more that can be said on the role of the Federal courts that would make it very clear that there is just no way that they are going to be able to impose taxes based upon this particular amendment.

But I want to bring to the attention of my dear friend from North Dakota that we are working on an amendment right now, the distinguished Senator from Illinois, others, and myself, with Members of the House. The problem with the balanced budget amendment is getting a consensus, and a constitutional consensus at that. If any of us could write it just exactly the way we want to, it might be different in one or two respects. But we are talking about a consensus amendment that has to get a two-thirds vote, and it has to be bipartisan. We have to work together on it. In this case, we have to have Republicans in order to get this passed. And probably a majority of those who vote for it will be Republican because it has always been an effort on our side.

But to make a long story short, we Republicans cannot pass the amendment by ourselves, and neither can any Democrats do it by themselves. So what we are trying to do is accommodate our colleagues, like the distinguished Senator from North Dakota, by finding language that will resolve this problem in their minds even though all of the law on the books flies in the face of the Supreme Court exercising jurisdiction—unwise jurisdiction—in these matters.

In order for courts to exercise jurisdiction, they would have to meet three standards that they themselves have set up. They would have to find standing, and you cannot find any case that would show they would grant standing in this type of case. They would have to find justiciability. And they would have to avoid "political questions." They cannot get by all three of those. They know it, we know it, and anybody who studies constitutional law knows it.

There is room to raise a "what if." In the case of Bob Bork, in his letter expressing concern about the amendment, he basically raises a "what if." He says, "I don't think the courts are going to do this, but what if?" What if you get a bunch of judges who are irresponsible who really ignore constitutional law, prior precedents, the Constitution itself, and go ahead and do this? I guess you could have a "what if" in every situation under those circumstances.

But what we were going to try to do to resolve this—we have been working with a whole coalition of people, with one of the prime spokesmen, the distinguished Senator from Missouri [Mr. DANFORTH]. We are trying to get language that basically says this: The power of any court to order relief pursuant to any case or controversy arising under this article shall not extend to ordering any remedies other than a declaratory judgment or such remedies as are specifically authorized in implementing legislation pursuant to section 6.

If such language were adopted, any possible argument that could be made in this area is gone. I believe we can bring that about. Certainly the distinguished Senator from Illinois and the Senator from Idaho and myself are working very hard to bring that about.

I would not mind taking time and explaining——

Mr. CONRAD. Will the Senator yield on that point?

Mr. HATCH. Yes.

Mr. CONRAD. I had instructed my staff to work on an amendment along these same lines, because I must say I am very concerned about the concept and the possibility that the courts would wind up in a role of being the final arbiter here. And I understand what the intentions of those who are carrying this amendment are. I also, after having been a tax commissioner and having dealt with the courts for many years, know about the law of unintended consequences. I am very concerned that we would find ourselves in a situation, unintended as it might be, that the courts were the final arbiter.

I thank the Senator.

Mr. HATCH. I hope that helps. But before this debate is over, both the Senator from Illinois and I will put in the RECORD why this is not really an issue anyway. I think the law is very clear that we do not have to worry about that. But, we are probably going to put language into this amendment to resolve the problems of some of our colleagues, like yourself, who have sincere concerns in this area. We think that language would resolve those problems, and we hope it will satisfy the distinguished Senator.

Mr. SIMON. Mr. President, I yield myself such time as I may consume.

First, in terms of the estimates aspect we were talking about before, there has to be some way for Congress to have a little flexibility on this. And

the reason we then have the three-fifths majority is to make this tough.

The Senator from North Dakota has some concerns. I simply say to Senator CONRAD: Balance those concerns against the huge, huge threat we face longterm of monetizing the debt and all of where we are headed, which is really unknown territory for us. Unfortunately, it is not unknown territory for many other nations. If we do not pass this, we are taking a gamble that we can be the first Nation in history to have that kind of debt and not monetize the debt.

In terms of this whole thing just being gimmicks, I do not think my friend—and I respect him a great deal—Senator BYRD would be fighting this so hard if he felt it were just a gimmick, and I do not think others would. It has teeth and it should have teeth.

In terms of the court situation and the possible court involvement, first, in general, the States restrictions have—there are loopholes out there. But the leading scholar in this field, a faculty member at the Cardozo School of Law in New York testified before us last week, and he said that despite the loopholes, there is no question that this is a restraint on State government, a restraint that we do not have in the Federal Government. Have the State courts been involved to a great extent? You find occasional cases, but, generally, there has not been much State court involvement.

Just to make sure we do not have a problem, we have the language that "Congress shall implement." There was a letter sent to Senator BYRD by a group of law professors, and I asked the distinguished former Attorney General of the United States, Griffin Bell, who is both a former Federal judge and a real scholar, to give his evaluation. I would like to enter into the RECORD the letter sent to Senator BYRD, and Griffin Bell's response to me in response to that.

I ask unanimous consent that those letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FEBRUARY 8, 1994.

DEAR SENATOR BYRD: The undersigned join in urging the Congress to reject the proposed Balanced Budget Amendment. Some of us support the present Administration, others do not. We disagree about the nature, causes and cures of our present budgetary situation. We share the conviction that the Balanced Budget Amendment now before the Congress is a serious mistake. We have different reasons for this conviction. They include:

The Amendment would deprive the Congress and the President of needed flexibility.

It would rigidly and permanently bias decisions against spending on social programs.

It would seriously distort the balance between federal, state, and private institutions by creating a permanent incentive to accomplish national objectives indirectly through the imposition of mandates and regulatory burdens on state and local governments and the private sector.

It would inappropriately involve the judiciary in intractable questions of fiscal and budgetary policy.

It would be unenforceable and thus use the Constitution as a billboard for failed slogans.

Sincerely,

Boris I. Bittker, Professor Emeritus, Yale Law School; Robert Bork, Esq., American Enterprise Institute, Washington, DC; Haywood Burns, Dean, CUNY Law School at Queens College; Archibald Cox, Professor Emeritus, Harvard Law School; William A. Fletcher, Professor, University of California at Berkeley Law School; Charles Fried, Professor, Harvard Law School; Lawrence M. Friedman, Professor, Stanford Law School; Walter Gellhorn, Professor Emeritus, Columbia Law School; Gerald Gunther, Professor, Stanford Law School; Louis Henkin, Professor Emeritus, Columbia Law School; Burke Marshall, Professor, Yale Law School; Norman Redlich, Dean Emeritus, New York University Law School; Peter M. Shane, Professor, University of Iowa College of Law; Geoffrey R. Stone, Dean, Chicago Law School; Kathleen Sullivan, Professor, Stanford Law School; Laurence Tribe, Professor, Harvard Law School; Harry Wellington, Dean, New York Law School

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KING & SPALDING,
Atlanta, GA, February 21, 1994.

Hon. PAUL SIMON,
U.S. Senate,
Washington, DC.

DEAR SENATOR SIMON: I write in response to the February 8, 1994 letter you received from a number of legal academicians in opposition to the Balanced Budget Amendment. I believe that the reasons given by these individuals for opposing the Amendment are misplaced.

First, the Amendment would not deprive Congress or the President of Flexibility in budgetary matters; rather the necessary flexibility would be preserved by allowing Congress, by a three-fifths majority in each House, to permit deficit spending. For example, just last week Congress overwhelmingly passed an emergency supplemental appropriations bill to provide much-needed assistance to the victims of the Los Angeles earthquake.

Second, the proposed Constitutional Amendment will not in any way bias decisions against social spending. In fact, it is the fiscal status quo that biases government decisions against social spending. Increasingly, Congress and the President are prevented from making real fiscal choices due to constraints imposed on them by rising interest payments on the national debt and the growth of entitlement programs. A Constitutional requirement to balance the budget will restore the viability of governmental decision-making on fiscal priorities by insuring that we stop paying $300 billion a year on interest payments that do not go to any social program.

The writers of the February 8 letter also argue that this Amendment would "distort the balance between federal, state and private institutions by . . . [imposing] mandates and regulatory burdens on state and local governments and the private sector."

Unfortunately, this describes not come fanciful future under a Balanced Budget Amendment, but the reality facing Congress today. States and the private sector are reeling from the impact of regulation and unfunded mandates. In a fiscal environment where interest on the debt and entitlements are crowding out all other spending, Congress is left with little choice.

A Balanced Budget Amendment would require the federal government to function on a pay as you go basis, and would gradually ease the burden on other spending by reducing interest payments on the debt. It is now, when the hands of Congress are tied by rising interest payments and skyrocketing entitlements, that the incentive to push costs on to the private sector and other units of government is greatest.

Congress could, if it wanted, decide tomorrow to stop this insidious practice, but the political cost is too great. A Balanced Budget Amendment would force Congress to make the tough choices that would eventually ease the burdens on states and the private sector.

Finally, I would like to address concerns that judicial review of the Amendment would either (1) embroil the judiciary in "intractable questions of fiscal and budgetary policy" or (2) prove unavailing. Leaving aside the fact that these conclusions are basically contradictory, they are in any event wrong.

With respect to the first of the above points, some have said that judicial enforcement of the Amendment would require courts to involve themselves in the minutiae of the budgetary process, such as by raising taxes or by decreeing specific spending limitations. Judicial review would not, however, lead to this result. To the extent that enforcement of the Amendment would involve the judiciary in deciding specific budgetary issues best left to the political branches, the courts would be free to—and would likely—find the enforcement action to present a non-justifiable political question and dismiss the suit. Indeed, as the Supreme Court noted in *United States Department of Commerce v. Montana*, 112 S.Ct. 1415 (1992), questions of enforceability, and the respect due coordinate branches of government by the courts, lie at the heart of the political question doctrine: "In invoking the political question doctrine, a court acknowledged the possibility that a constitutional provision may not be enforceable." Even more recently, Justice Souter's concurring opinion in United States v. Nixon, 113 S.Ct. 732, 747 (1993) noted that the political question doctrine reflects "prudential concerns about the respect [courts] owe the political departments." Therefore, consistent with current law, where judicial action to enforce the Amendment would require the courts to address policy questions best left to the departments, courts would refrain from doing so. E.g., Panama Canal Co. v. Grace Line, Inc., 356 U.S. 1, 15 (1972) (noting courts' inability to act "as virtually continuing monitors of the wisdom and soundness of" the actions of the political branches); Harrington v. Bush, 553 F.2d 190, 215 (D.C. Cir. 1977).

Critics are also mistaken when they offer the opposite claim—that the courts would have absolutely no role in enforcing the Amendment. Even without making specific taxing or spending decisions, a court could—within the limits of Article III of the Constitution—use its injunctive powers to strike down legislation that clearly violates the terms of the Amendment.

Moreover, Section 6 of the Amendment—which states that Congress shall "enforce and implement this article by appropriate legislation"—gives Congress the authority to limit the kind of plaintiffs who would be able to sue to enforce the provisions. See Bread Political Action Committee v. FEC, 455 U.S.

577 (1982) (noting Congress' right to limit standing to bring particular federal claims). Section 6 also empowers Congress to designate the forum in which such suits could be brought. See ASARCO, Inc. v. Kadish, 490 U.S. 605, 617 (1989), (holding that Congress may proscribe state jurisdiction to consider federal claims). Therefore, while enforceability of the Amendment would be preserved, enforcement would not come at the expense of judicial manageability.

Sincerely,

GRIFFIN B. BELL,
Former Attorney General of the United States.

Mr. SIMON. Judge Bell basically says he does not think this would be a great problem. We do have, very clearly, the ability to determine who has standing. We can say there has to be 30 Members of the Congress, or whatever, so there would not be a proliferation of suits.

I add that the court precedence on this—and Senator DANFORTH is very concerned because of the Jenkins case. But that does, as Senator HATCH mentioned, involve the 14th amendment. The courts have been very clear on what they call "political matters." A great illustration is when a former colleague of ours, Senator Barry Goldwater and about a dozen people tried to knock out what happened on China and Taiwan. Senator Goldwater and his colleagues said this violates a treaty that we have with Taiwan and, in my opinion, he was correct in saying that violated the treaty. But the Supreme Court said:

This is a matter between the legislative and executive branch. This is a political matter, and we are not getting involved in that.

Just to make doubly sure that we are not going to have a problem, we have this amendment, and we would be happy to have the Senator look at the language. I think it locks it in—and we would be happy to have Senator CONRAD as one of the sponsors of that amendment—just to make sure we do not have a Federal judge coming along and saying you have to cut everything 10 percent, or you have to add this tax. We all agree that should not be part of the process. Any future court can read the record of our discussions here, and that should help on that.

Let me comment on a few other things, very briefly, that Senator BYRD said. When he said we will invite partisan games with this because of the three-fifths majority; First, there are —and I have to say that I give credit to my staff for this, I was not aware of this—he mentioned five cases in the Constitution that required super- majorities. Actually, there are three others, for a total of eight in the Constitution that require supermajorities; this would add a ninth one. The supermajorities are there, for example, on treaties. Why do we have two-thirds? Does this result in partisan games? With rare exceptions. I do not think it has resulted in partisan games. But we have that in there to protect the people. And we have illustrated for 25 years now, and you and I have been involved in this fight.

I commend the Senator from North Dakota for being a champion of fiscal common sense on the Budget Committee. But we have been involved in this fight to try and hold those deficits down, and we have seen what happened. The abuse has been massive. As you look long-term—and I keep pulling this chart out. We have been shown by the administration how it is coming down. This goes back up to $365 billion, according to CBO.

The big thing is when you take OMB figures—these are the administration figures—assuming health care saves all the money they are suggesting, assuming we have 10 years of progress with no dips in the economy, both of which are a long way from certain, but they say then that—well, say I was born in 1930; I would spend 30 percent of my lifetime earnings in taxes. My colleague, I believe, is about 15 years younger than I am, or so. Let us say you were born in 1950; you will spend about 34 percent in your lifetime earnings in taxes. Let us get down to future generations, and they say, assuming all these "Rosie Scenarios," 66 to 75 percent of lifetime earnings will go for taxation because of debt service.

We are not going to end up with 66 to 75 percent. We are going to start printing money before that happens. That is the real danger. That is why we need something here.

In terms of my distinguished colleague, Senator BYRD, saying we are getting into microeconomic policy, the Constitution talks about patents; the Constitution talks about weights and measures.

There are all kinds of financial things mentioned in the Constitution. And I would add, the lead witness—and I think you were there when he testified before the Budget Committee last year—against the constitutional amendment was Prof. Laurence Tribe from Harvard. I have great respect for him and he still opposes the amendment and I do not want to suggest anything to the contrary.

But he did have one shift. When he started out his testimony, he said this:

Despite the misgivings I expressed on this score a decade ago, I no longer think that a balanced budget amendment is, at a conceptual level, an ill-suited kind of provision to include in the Constitution. The Jeffersonian notion that today's populists should not be able by profligate borrowing to burden future generations with excessive debt does seem to be the kind of fundamental value that is worthy of enshrinement in the Constitution. In a sense, it relates to a structural protection for the rights of our children and our grandchildren.

I think we have to keep in mind that we are talking about something very fundamental here.

I see my friend rising and he has a question or a comment.

Mr. CONRAD. I do. If the Senator would yield for a question or two, I would be grateful.

As you know, this issue concerns me perhaps more than any other. I am personally persuaded that one of the most important things we can do is reduce this budget deficit, reduce pressure on interest rates in order to support economic growth in this country to restore our position as international competitors.

Mr. SIMON. Absolutely.

Mr. CONRAD. I think last year's budget deal, in which we did make a significant reduction in the deficit, has proven the theory; that is, we have seen now the lowest interest rates in 20 years, we have seen the strongest economic growth in 6 years, we have seen reduction in unemployment, we have seen record housing starts, we have seen record automobile sales. We have seen this, in part, because of what we did in getting an economic recovery underway. So I am personally persuaded that reducing deficits is in the economic interest of the country.

I have concerns that I have outlined here today with respect to court involvement. I am very pleased to hear the Senator's reaction to that.

I am concerned about the use of estimates. I am very concerned about that, because I have seen through the Gramm-Rudman process how that can be used to subvert what is an honest intention.

There are two other areas that I would like to raise with the Senator from Illinois with respect to issues that concern me.

One of those two is the matter of Social Security being included. It strikes me that Social Security, which is a separate trust fund, should not be used to balance other parts of the Federal budget.

My colleague, Senator DORGAN of North Dakota, I understand, has an amendment he will offer to eliminate Social Security from the balanced budget requirement. As you know, the underlying rationale for that is Social Security is in substantial surplus, at least for the foreseeable future.

I am wondering whether the prime mover of this amendment will support that amendment or, if he is in opposition, what the rationale for that opposition would be.

Mr. SIMON. Yes, I will oppose the amendment. I have great respect for Senator DORGAN who, on a number of things, has shown real insight, including standing up on the issue of intangible assets, which is one of those issues someday somebody is going to hear about that will be important.

I might mention that the former actuary for 23 years for the Social Security Administration, the chief actuary, Bob Myers has sent a letter to me saying the only way to protect the Social Security fund is by passage of the balanced budget amendment.

Mr. CONRAD. I read, by the way, the letter you sent around from him. I thought it was an instructive letter.

But your intention is to oppose it?

Mr. SIMON. I oppose it.

Mr. CONRAD. What is the rationale?

Mr. SIMON. Let me tell you the rationale.

First, originally, when I drafted my first balanced budget amendment, I included that, interestingly.

The reality is that we do have a surplus at this point right now in Social Security. I would like to balance that budget without that surplus. It would make it much tougher, but it would be a great thing for our country if we were to do it.

I will join the two Senators from North Dakota in moving in that direction. But we also face in the outyears a point when there is not a surplus but a loss there. One way of protecting Social Security—not in my lifetime, but in the lifetime of my children—is to include Social Security in this.

So long term, I think it is a protection for Social Security not to have the exemption.

Mr. CONRAD. Let me, if I might, respond quickly to that question and then ask another question.

The thing that is disturbing to me, as I reflect on Rev. Jim Bakker, Rev. Jim and Tammy Bakker—and I think everyone remembers the PTL Club show that was on. I can remember saying in one of our Budget Committee meetings during our deliberations, "Does anybody remember why Jim Bakker is in a Federal prison?" Nobody could remember the exact details, but fundamentally he is there because he promised to raise money for one reason and then used it for another purpose.

That is precisely what we are doing to Social Security today—not in the future, today. We are telling people we put that payroll tax on in order to fund Social Security. And, indeed, we are funding part of Social Security that way. But we are also funding the operating expenditures of the rest of the Federal Government by running a Social Security surplus and taking the money and using it for another purpose.

By those tests that were applied to Rev. Jim Bakker, all of us would be in a Federal penitentiary.

I find it disturbing that for the foreseeable future Social Security is in surplus, and under the terms of the amendment we have before us, we would achieve a balance but only achieve a balance because we would be using the Social Security trust fund to make that balance.

Mr. SIMON. First of all, I agree with everything my colleague from North Dakota says in terms of Social Security. I think it was a mistake when we got a unified budget.

We talk about this being the 25th anniversary of balanced budgets. In fact, in 1969, you had a balanced budget because for the first time you included Social Security, and without that, there would not have been a surplus.

I have been critical, as my colleague may recall, of our budget for two reasons: First, is we include the Social Security surplus. I favor putting that as a separate item in the budget. I will join my two colleagues from North Dakota in statutorily trying to do that. It does complicate getting to a balanced budget very, very much. No question about it. I recognize that and I recognize we have to have a two-thirds vote. And this is a practical compromise.

The second point that I have fought on is when we list interest we should list gross interest instead of net interest. It is one of the little games we play around here. We would never think of saying to the Justice Department, "Well, you collected so many dollars in fines, therefore, your appropriation is that much less." It is one of the games that we play.

But I am eager to join my two colleagues from North Dakota in statutorily doing everything we can to protect Social Security.

Mr. CONRAD. May I raise one final point with the Senator from Illinois?

Mr. SIMON. Yes.

Mr. CONRAD. One other concern that I have is with respect to a question of when the country is in recession. In examining the economic history of the country, I am personally persuaded that there is a countercyclical role for Government to play. We have, under the terms of this agreement, the ability to deal with a wartime situation. And I am concerned what if this country were in recession or headed into recession, and we would be required to meet the terms of the balanced budget amendment through a tax increase or spending cuts that might accelerate the downturn rather than allowing the Federal Government to serve as a buffer and to provide some economic lift by way of a budget deficit? That is, I am personally persuaded we ought to run balanced budgets over time, but in any 1 year we might want to run a budget deficit.

I am interested in the view of the Senator from Illinois with respect to the possibility of having the Government play that kind of role. Is it the view of the Senator that the three-fifths test would be used and that when we are in recession it would be possible to get 60 votes in the U.S. Senate for the purposes of countering the effects of a recession?

Mr. SIMON. The answer is a little complicated. But, first of all I do believe that in a real recession we can get the 60 votes. We got 60 votes for unemployment compensation extension on an emergency basis because of the problems that we have had. But I think there are other answers that are even more significant than that and they tie in with what my colleague just said about Social Security. If we try to lean on Social Security less in terms of a surplus and aim for what Charlie Schultze, who formerly chaired the Council of Economic Advisers for President Carter, and Fred Bergsten, who was the Assistant Secretary of the Treasury—Fred Bergsten has said, and testified last week, that with a balanced budget amendment we will be much more able to respond to a recession than we are now, if we use common sense in building in a little surplus. Then you can respond quickly, and you do not have the problems that we have had.

We tried, and with my colleague's vote too, I am sure, we tried to get $11 billion for a jobs program. We could not do it here because we are so strapped by where we are. We could not come up with that kind of money. If we built in a surplus then it would be easier to respond quickly and much more significantly; $11 billion in a $6 trillion economy is nothing.

Then a second part of this that is really important. When you talk about countercyclical. One of the things we have done, as the Senator and I know very well, this last year we spent $293 billion on interest. Interest is not countercyclical. When you give money to people on Social Security that is countercyclical. They spend the money. You give money to people who are fortunate economically, if times go bad they save the money. It does not become countercyclical. So the interest in fact aggravates our recessions.

And this amendment will do one other thing. The Wharton School last Thursday announced—and both my friends from North Dakota, who have been very active in the financial field may have seen this, but it is significant—the Wharton School says if this passes, 30-year bonds will drop from 6.5 percent to 2.5 percent. That is going to make a huge difference in our economy. And it means we can use funds for countercyclical things rather than things that aggravate the countercyclical trend.

Mr. CONRAD. Let me say on this point, I read the WEFA study last night. In my interpretation of that—the Senator mentioned this point the other day in the caucus—my understanding of the WEFA report was they were talking about the Federal funds rate going down to 2.5 percent, rather than the 30-year bond. Perhaps I missed something in reading it. But my interpretation was the 2.5 percent they were talking about was the Federal funds rate rather than the 30-year bond.

Mr. SIMON. I have to say I got that from my staff. My impression is to the contrary. But the Senator may be correct.

Thirty-year Treasury bonds, it is 30-year bonds.

Mr. CONRAD. Goes to 2.5 percent?

Mr. SIMON. Yes, 2.5 percent from 6.5 percent.

Mr. CONRAD. That would be exceptionally good news for the economy, if we were having 30-year bonds at 2.5 percent.

Mr. SIMON. What a great lift this would be for housing, construction, industrial investment—everything.

Mr. CONRAD. The estimate given for last year by the Treasury Department, for every 1-percent drop in interest rates that provided a $118 billion lift to the economy by reductions in consumer debt, corporate debt, Government debt. And that in fact that is one of the reasons we are seeing an economic recovery of the dimensions that we see now. These lower interest rates are providing a lift to the economy.

Let me just conclude by saying I hope the Senator from Illinois and the other movers of this amendment have not made a determination, a final determination, to oppose all amendments. Frankly, my reading of the situation is that there are not the votes now to pass this amendment. That is my own view. I may be wrong. But I have talked to many of our colleagues and I think that is about where it is. As of today, you do not have the votes. Senator BYRD does not have the votes.

There are a group of us who have genuine concerns with respect to the issues I have raised here. The question of estimates, the question of court involvement, the question of dealing with a recession, and the question of Social Security.

I would say to my colleague, it may be possible to pass an amendment that would address another concern that many of us share which is the growth of debt. Because I feel deeply about it, very deeply. But I do not want to vote for a constitutional amendment that I believe has some flaws. Some of them I consider to be serious flaws.

This is a very, very serious business to amend the Constitution of the United States. At least for this Senator. I believe that is the case for the Senator from Illinois as well.

So I hope and I urge my colleagues who are the movers of this amendment—and I hope my voice is heard beyond this Chamber—not to make a final decision to oppose all amendments. Because I believe if that is the course that is taken this will fail. I believe that. I believe it will fail. I think there is a chance if we work together that we might get the votes to have something that seriously addresses this matter of the growth of the debt and at the same time is sensitive to these issues that I have raised this afternoon.

I thank very much the Senator from Illinois.

Mr. SIMON. I thank my colleague. Let me say because it is such a serious matter, amending the Constitution is not something where one of us can sit down and start scribbling down an amendment and saying let us do this. We have to approach this very, very carefully. For example, the judicial amendment that we have talked about, we have had scholars look at it. We have been looking at this very, very carefully because we want to do the right thing.

I am not saying we are automatically going to be opposed to any amendment, but when you talk about the Constitution of the United States we have to be extremely careful. I can say, on the matter of estimates, there is no way to my knowledge of dealing with this problem without giving Congress the ability to make some estimates. But you have to lock it in in some way so they do not play games, as we have played games here. That is why the three-fifths majority is there.

In other respects we will take a look at amendments. I have to say my predisposition is to reject amendments unless they are very, very carefully drawn because we are dealing with the Constitution.

Mr. CONRAD. Might I just ask the Senator from Illinois, does he believe he has the votes now to pass?

Mr. SIMON. The answer is on the basis of what I know I do not believe I have the votes to pass this. I do not believe Senator BYRD has the votes to stop it. I think Senators like my colleague from North Dakota hold the balance on this.

Mr. CONRAD. I just say to the Senator and the other people who have an interest in trying to get a result here that would accomplish a purpose that I think is the common goal of many, that we not get fixed in concrete with respect to amendments. Because I am personally convinced, absent amendments, this will not succeed. Unless in the days ahead there is a chance for us to address some of these concerns, which are sincere and genuine on the part of people who probably hold the balance with respect to this question, we will not have a successful conclusion.

Mr. SIMON. Let me just say again in response, we will take a look at whatever is suggested. We felt the judicial amendment was not necessary, but just to make sure, because there are genuine concerns, as you have expressed and others have, I think we are about to work out something that I think meets that objection.

So we will take a look at other amendments. But we also want to be very, very careful because of the nature of what we are doing. We are not just amending some statute that I dreamed up or you dreamed up or someone else did. We are talking about the Constitution. I know my friend from North Dakota has the same feeling of sacredness about the Constitution that we have to proceed with caution.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, let me make a comment to the concerns of the Senator from North Dakota and other concerns that have been brought forth in the last hour on the floor that are significant. And they are important.

I do not think there is any question that we are very intent on doing the right thing. We also understand that the process has to have an element of flexibility and, in that element of flexibility, the Congress of the United States must work its will. Certainly that is an important part of any budget process. The Senator from North Dakota has been involved in making budgetary estimates, as have others, and has used the Gramm-Rudman example as a target by which to argue estimates. Let us cast estimates in an entirely different light from which they have ever been made before.

We all know that estimates before to project revenue for a Federal budget, although I am not arguing that they were not made with a sense of accuracy, did not necessarily have to be accurate because they always knew that there was an open end in that process. If you missed the estimate, you borrowed. If you missed the estimate, there was not a drop dead or a very severe process that would be difficult to get by in the end. So as best you could guess, you guessed your best.

We also know that State legislatures, even in States as large as California, which has an economy one-sixth of the Nation, because of the nature of their requirements, become very, very accurate in making estimates. How accurate? Within a couple of percentage points? Is that so dramatic as to say, if you cannot make that—well, we had one Senator on the floor a few moments ago saying, my goodness that is a huge amount. My guess is that is pretty accurate, and I do believe that we have enough smart people around here doing econometric modeling to figure out how to get about that close, considering all things. But, recognizing that, we also understand that you cannot be totally perfect, and the American people know that when you are guessing in terms of $1 trillion plus. We grant within this amendment the kind of flexibility to do so.

But the flexibility is tough. Why? We do not want the Senator who says 2 percent is difficult to come to the floor and say, aw, but look at the gaping loophole; such a gaping loophole Senators will jump through it and a balanced budget will never be achieved and, therefore, the Constitution is being used only as a political surrogate to a problem that just takes Senators voting tough votes.

We want to make sure that it is a real amendment, that it works in real ways, and that it does force a Senate

and a House to respond in sincere and politically honest ways to produce a balanced budget.

For years, as I worked to craft this amendment and worked with my colleague from Illinois and other Senators and Members of the House, there was a very conservative side of me that said we had to put in this amendment an absolute formula to devise so that Congress could only raise revenue by a certain amount on an annual basis based on a percentage of the gross domestic product. We had to be tough because you could not trust the Congress; they would just go out and raise taxes. It would be easy for them to do and, therefore, we had to have some form of tax limitation language in there.

I finally, over the years, decided that the greatest tax-limiting factor in this country of ours was the electorate themselves. They would choose the Senators or the Congressmen who failed to respond to their call to be fiscally responsible if we could but give the citizenry the tools by which to measure, on an accurate basis, whether in fact that Senator was being fiscally responsible or not. And I chose to come with this amendment and to support it.

We heard the Senator from West Virginia just confirm, in my mind, the toughness of this issue when he, in fact, said this is a tough amendment. Now, he was talking about the three-fifths vote. In other words, he was talking about the ability to raise the debt ceiling. A tough vote. He spent over an hour explaining how difficult it is to get that vote. What he tells me and what I hope he is saying to all who are listening is that this is a tough amendment; that those of us who have worked over a decade to craft it, recognizing that we wanted to make these kinds of issues tough, may well have accomplished that. We may well have put together a process that is doable, that offers a little flexibility in extraordinary situations but at the same time truly recognizes that if you provide the loophole, there is probably 50 plus 1 percent in this body who might just avoid the tough vote and jump through the loophole. We did it in Gramm-Rudman because the loophole was that, in fact, it was a law and not a constitutional provision. When the tough times came, we buckled under. What we are providing here is a new environment in which budgeting will occur. That is why in section 6 we say that it is the responsibility of the Congress to come forth with that which will cause us to operate under this new environment.

I am not saying it is going to be easy. I am saying it will be tough. It should be tough because, if it is not tough, we will continue to do what we have done because we have never made the tough decisions around here. That is why the $4 trillion-plus debt. That is why a $200 billion-plus deficit. That is really what it is all about.

How about majority rule? We heard once again about that today. Let me tell you, it cannot be a simple majority. The founders of our Constitution said we will not allow a simple majority to tamper with the Constitution of this country. What we are saying today is that our amendment becomes constitutional law. It becomes one of those inherent rights of the people to be free of a profligate Government and to be free of the compounding of debt on the shoulders of future generations. Now that becomes a right, a new right in this country, one that Thomas Jefferson agreed with, one that Alexander Hamilton agreed with, one that I agree with, one that the Senator from Illinois agrees with.

So, do we want a simple majority just to change it? No, not at all. It is why we have worked for 10 years using the constitutional route, and while it is not ours to fix, it is ours to propose. It will be 38 States who will decide whether this becomes the right of the citizenry, and, therefore, the process must be tough. It cannot be an easy walk away if we are going to arrive at a constitutional amendment that will, in fact, bring about a balanced budget with the flexibility to understand that you can move to fix it and to adjust it but within a very tough framework that always keeps us constantly working to keep the budget in balance. Not an easy process. Never has been. The one we are involved in now is not an easy process. It has become tremendously convoluted. That is why I think all of us are concerned about it.

For the last day and a half, we have talked about constitutional language, we have talked about countercyclical processes, we have talked about econometric modeling. For just a few moments, I would like to get away from that, Mr. President, and talk about people, because I will bet the average citizen is sitting out there scratching their head and saying, "Well, we don't quite understand what you're saying, but what we do understand is that the budget isn't balanced and it doesn't look like Congress is going to balance it and we've got a President that just asked for a huge tax increase but his people don't want to balance the budget, and what is it going to do for me, average citizen?"

Let me tell you what happens, in my opinion, to the average citizen in the small community of Idaho if we fail to do what we should do and in the proper form. I remember what happened in the late seventies and the early eighties when inflation took off in this country and this Congress refused to use fiscal policy to take care of inflation and the Federal Reserve had to use monetary policy to take care of inflation. Thousands of Idahoans were out of work. It was a very real life experience. They lost their jobs, they lost their life savings, they lost their families, some of them. They lost all they worked for, and it really was the Congress that should have been blamed. But the average citizen out there took it right on the chin.

I do not care how complicated this debate is. The bottom line is a government that lives within its means, that does not risk the destruction of an economy that creates the jobs, that builds the homes, that puts the food on the table of the average working men and women of our country.

Alan Greenspan this morning was in the national news suggesting that maybe he had to turn up short-term interest rates just a little bit over the next little while because inflation just might be igniting ever so slightly, and we do not want that to happen.

What he is really saying is I am going to use monetary policy to guide this economy again. What he did not say but is my guess that is in the back of his mind is that Congress' fiscal policy is not working very well.

Now, what does short-term interest rates do if they go up? Again, they deny the average citizen in this country the opportunity to have spending power to do what? To buy goods and services for the benefit of families.

So our debate today, as technical as it may become, as countercyclical or noncountercyclical as we may argue, as econometric modeling may or may not have the type of results that can and should produce a reasonable revenue projection, or even the very technical nature of constitutional law, in the end what this debate is really about is the right of the average citizen to be free, free of a government that will constantly move to progressively debt them in a way that they cannot afford.

This administration, its own agencies will suggest that the child born today, in their lifetime, will pay out 82 percent of their gross income in taxation, and so when we suggest that that may reduce them to the lifestyle of a Third World citizen, we are really talking about a lifestyle that none of this generation has ever experienced and none that we would ever want.

Now, I can suggest in closing that that is a very fundamental part of our debate. I would hope that Senators as they listen and as they become involved in this debate over the next week and as they are concerned about the technical language of whether the judiciary is or is not involved and how they get involved, and whether they can only make declaratory judgment or they cannot, or whether we have figured out the right way to make estimates, many of us believe we have because this amendment has been 10 years in the crafting. And while we are willing to be flexible and work with other Senators because we are not to suggest that our ideas are the only ones or are the best, but there are a

good many Senators here who have worked with this issue a long time.

After the smoke has cleared, the question is have we served the citizens well? Can we proudly stand and say that we have begun a process that will produce for this country, for our taxpayers, for the citizen the unique opportunity to be free of a governmental debt that they as citizens are responsible for in the end.

I believe that is the ultimate debate. Let us talk jobs and kids and people and homes and vitality and opportunity and future. That is just as much a part of this debate as the very technical language that all of us are extremely concerned about today.

I yield back the time.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER (Mr. KERREY). The Senator from Utah is recognized.

Mr. HATCH. One issue that arises in terms of the nonjudicial enforcement of the balanced budget amendment is whether section 1 of Senate Joint Resolution 41, which mandates that total outlays for the fiscal year shall not exceed total receipts for that year, implicitly grants to the President authority to impound funds to suspend the operation of spending measures or to rescind earmarked funding measures.

This question was raised by the distinguished Senator from West Virginia in response to some questions of the distinguished Senator from North Dakota [Mr. CONRAD].

I wish to mention just for a few minutes some thoughts on this subject. This contention made by opponents was echoed by former Solicitor General Charles Fried, a great friend of mine, during his appearance at Senator BYRD's hearing on February 15.

Admittedly, the law of Presidential impoundment is far from clear. However, the plain meaning of the structure of Senate Joint Resolution 41, buttressed by its legislative history, indicates that the amendment does not grant—and I repeat, does not grant—the President any additional authority and is in fact intended only to circumscribe Congress' taxing, borrowing, and spending powers.

Specifically, section 1 of Senate Joint Resolution 41 directs that outlays exceed receipts only if three-fifths of both Houses of Congress vote to so provide.

The only mention of the President is in section 3 which requires that the President submit a balanced budget to Congress for each fiscal year. This view is supported by the committee report and prior floor debates which make it clear that the amendment grants to the President no new additional authority.

Finally, in section 6 of the balanced budget amendment, it is mandated that Congress promulgate enforcement legislation. Now, this is a very strong indication that Congress, and not the President, has the exclusive authority to establish a mechanism to enforce the balanced budget amendment which would resolve a lot of the problems that Senator BYRD raised here today.

The President's constitutional role therefore is limited to enforcing that legislative mechanism which we must pass for him to enforce. In any event, impoundment authority is probably irrelevant. Although the Supreme Court has not decided the issue of whether the President possesses constitutionally inherent Executive impoundment authority, it has held that the President may not impound funds when Congress mandates that the sums be spent. And the cases are Kendell versus United States, ex rel Stokes, State Highway Commissioner versus Volpe and National Council of Community Health Centers, Inc. versus Weinberger.

This implicitly supports the position that even if the President possesses only limited impoundment authority, Congress could protect its constitutional and institutional prerogatives by promulgating detailed enforcement legislation pursuant to section 6—and that is what is going to happen here, as the distinguished Senator from Illinois has made so clear on the floor yesterday and today.

Once passed, such legislation would trump any conflicting Presidentially created enforcement procedures such as impoundment because the President must enforce any law the Congress creates.

So I just wanted to spend a few minutes on that because it is an important point. It is one that bothers some members of the Budget Committee, including our own Senator DOMENICI from New Mexico on our side, and I think this answers that question about as well as it can be answered.

This amendment is carefully drafted. We have come a long way. We have brought together a maximum of people. We have a consensus on it. It is the only one that is likely to pass. And I guarantee, if this does not pass, it is only a matter of years until one a lot more restrictive, with a lot more enforcement mechanisms, with much higher supermajority requirements is going to pass. This one is tough enough. This one will do the job. This one will get us on that glide path towards balancing the budget and, hopefully, creating surpluses so we can cut down on the national debt. Frankly, it is just something we simply have to do.

Mr. President, I yield the floor.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. SIMON. Mr. President, I thank my colleague from Utah for his remarks. Let me just underscore his final comments before I yield to my colleague from North Dakota, Senator DORGAN. I heard Senator BROWN the other day say if this does not pass, then we will, before the decade is out as the situation gets more extreme, pass a more extreme constitutional amendment.

I think that is the reality. As my colleague from Utah knows, I resisted attempts to put some language in here that is frankly much tougher than this. I think this is constitutional in nature. I think it will do the job. But I think it is designed in such a way that it will help the country and not harm the country.

Mr. HATCH. If the Senator will yield on that point, one of the problems we have had since I—and a lot of us—have worked on this Constitutional amendment is that there are a lot of people in Congress who would like to have a three-fifths vote requirement not only for balancing the budget but for increasing taxes.

I agree that would be too restrictive, although it appeals somewhat to me when I look at how the country is going. This amendment is carefully crafted. It brings together a wide group of consensus builders. It really will give us a chance to have some discipline in the process. It certainly is better than any statute we could pass. We have tried statutes in the past. They have not worked. This will work without it being so extreme that we hamper the country. But if we do not do something like this to put some discipline into this process, I guarantee you it is going to be done—when people get so frightened and so mad out there and they see this exponential growth of the deficit and interest against the national debt.

When that happens, we are going to have the other side start to take action, and we are going to have a much tougher amendment than this that could hamstring the country. This amendment will work.

I want to commend all my colleagues who have worked on it, particularly my friends from Illinois and Idaho.

Mr. SIMON. Mr. President, let me make one other point that I should have made to Senator CONRAD earlier when I talked about countercyclical effect. I mentioned that those who now receive the $293 billion in interest are more likely to save the money than someone who gets Social Security or something like that.

What I should also mention is that we have 17 percent-plus—no one knows what that plus is—of that interest that goes to Japan, Great Britain, the Netherlands, Saudi Arabia, and other places. That does not do anything. That is roughly $60 billion-plus a year that is a drain on our economy rather than a stimulus to our economy.

I am pleased to yield at this point to my colleague from North Dakota, Senator DORGAN. He wants how much time?

Mr. DORGAN. Twenty minutes.

Mr. SIMON. Mr. President, I yield 20 minutes to my colleague from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota [Mr. DORGAN] is recognized for 20 minutes.

Mr. DORGAN. Mr. President, I appreciate very much the courtesy of the Senator from Illinois.

This is, indeed, an odd group of people who have come to the floor of the Senate to support a constitutional amendment to balance the budget. If, as is often the case politically, we divide this Senate into people who are either warm-hearted or cold-blooded, I suppose I fit into the warm-hearted group. For 14 years I have supported things that try to help people in this country, programs that are necessary and that invest in human potential. But this debate goes beyond traditional political lines.

I sat in the chair for a couple of hours today presiding over the Senate, and it has been an interesting discussion. We find so often on the floor of the House or the Senate that what is said often is not so relevant and probably often not so important. This is important.

What has been said by both sides in this debate has been said in eloquent ways. I should compliment Senator SIMON for his leadership and for his vision. Let me similarly compliment Senator BYRD. Everyone in this Chamber knows that Senator BYRD is the authority on the history of the U.S. Senate. He is a wonderful person. I greatly respect his opinion.

This has been an interesting debate to listen to. I have listened with care.

As I said, this is no ordinary debate because we are not debating a law or a sense-of-the-Senate resolution. We are debating a proposed change in the U.S. Constitution.

Not too many years ago I was selected to represent my State at a quite interesting ceremony at Constitution Hall celebrating the 200th birthday of the Constitution. Two hundred years ago 55 white, largely overweight, men went into a room in a hot summer in Philadelphia and wrote a Constitution. It was a hot Philadelphia summer, and they had no air conditioning. So they kept the shades drawn all summer. But they wrote this Constitution.

Two hundred years later we celebrated the Constitution's 200th birthday, and 55 of us were selected to go into this same room. It was men, women, minorities. It was a wonderful group of 55. I was privileged to be among them.

George Washington's chair still sits at the front of the room. It is where George Washington presided. Madison was there in that room. Franklin was there. So were the other great Americans who created the grounding of our democratic society, which we call the Constitution.

We now discuss changing the Constitution. It is not the first time we have discussed that. We have changed it many times, in most cases not on a whim but after thoughtful debate.

There have been thousands of proposals to change it. But the Constitution is a sacred document. Wise men wrote it. And in it they set out the three branches of our Government, distributed the powers among the branches, and created a mechanism to protect the liberties and freedoms of our people.

It is a misunderstood document. I have had constituents who have asked me to do something and propose something. You say that would clearly violate the Constitution. They say, "I don't care what the Constitution says. Pass a law." Well, obviously, the Constitution governs.

But I do not think anyone here misunderstands the importance of this debate. I have been very reluctant in the years I have served in Congress to join those who want to change the Constitution. People want to change it with respect to abortion. I have not been willing to cosponsor or join them. People want it changed to allow prayer in school. I have declined. I have chosen not to join them. Others wanted to change it because some scruffy little guy burns an American flag. They wanted to change the Constitution to prevent flag burning. I declined. I did not think that was what we ought to do.

I have not been very likely to support those who want to change our Constitution.

The proposed change today is about economic policy. The proposed amendment before us suggests that we should require our Government's receipts and expenditures to be in balance.

Why have we come to this point? Why is a constitutional amendment on balancing the budget offered today? It is because this country is now awash in a sea of red ink. In the last decade-and-a-half especially, we have seen a tidal wave of deficit spending, and a substantial increase in the Federal debt. We now have about a $4.4 trillion debt.

I do not know what $1 trillion is. I do not reckon any of my constituents know what is a trillion dollars is.

I could describe it, of course, but it is a $4.4 trillion debt. We have, up until the last year or so, been spending a billion dollars a day that we do not have; every day we spend $1 billion more than we take in. We spend our kids' money and their kids' money; we spend it and add it to the debt.

Some say, "Well, the debt is what we owe to ourselves. So it is not all that important. It is not growing at an alarming rate." Well, of course, it is. It is $4.4 trillion now; 14 years ago, it was less than $1 trillion; 10 years from now, it will be $8 trillion. This is not a problem? Look at the figures to understand how serious a problem this is for the future of this country.

There is a lot of cynicism about the institution of Congress. Some of it is fed by all of the news magazine shows and other folks who want to make a dollar by creating cynicism about our institutions. Some of the cynicism is very real. Some of that cynicism is directed at an institution that people think cannot manage our affairs very well. It spends money it does not have. It saddles this country with a mortgage it should not have, and it mortgages our children's future.

The question is what do we do about it? We have tried in many different ways with different devices to balance the budget. But we have not succeeded. Entitlement programs grow. They mushroom. We have tried dozens of different things.

A year ago, we decided with a one-vote majority here to take tough medicine in the President's economic program. I supported that. There were tax increases we do not like and spending cuts nobody liked. But the fact is that it was $500 billion of medicine that was necessary. But it was not enough.

Look at the numbers. Let me just show my colleagues the numbers. The numbers show that in the year 2004, the total public debt will be almost $8 trillion—an $8 trillion debt.

Things look pretty good in 1995 and 1996, as a result of the deficit reduction bill. But what happens beginning in 1997 and every single year from then on? The deficit continues to increase.

And even then it does not look awful because the money collected from Social Security taxes is used to offset the deficit. But, of course, that is dishonest and we cannot do that. We cannot do it in the long term and we should not do it in the short term. No one should doubt that this is a crisis. The question is what do we do about it?

Several weeks ago, I spoke on this floor about economists and "augurs." We have heard debate about the economic projections the dire consequences of what would happen if we pass this, or the consequences if we do not pass that. I talked about economists a few weeks ago.

In the year before we went into the last recession, in 1990, 35 of the 40 leading economists predicted that we would continue to see 12 months of economic growth in the next year. Of course, the next year we saw a recession. But 35 of the 40 leading economists had predicted the next year would be a year of steady economic growth. Most of the leading economists were wrong.

So I spoke about augury. In Roman times, the Romans would read the entrails of cattle and view the flights of birds in order to project the future. I wondered whether that was so different from what we do now.

But no one—not the best economists in this country, and certainly not the

folks back home who work every day—misunderstands the consequences of this debt and the difficulty it poses for our country's future.

If somebody asked me to spend $500 billion that we do not have in the next 12 months and said, with that, cancer would be cured, I would say fine. That would not bother me a bit. It would be the best investment we ever made. Let us do it.

But that is not what this deficit is about. This deficit is not about investments that yield enormous rewards. This is an operating budget deficit of, year after year after year, close to a billion dollars a day.

Some have raised some concerns about this balanced budget amendment proposal. I have some concerns about it too. In fact, I am going to offer an amendment, which was discussed on the floor recently, to exempt the Social Security trust funds from the balanced budget amendment's calculations. We should not, under any condition and in any case, use Social Security revenues to reduce the Federal deficit. Let me explain a bit what I mean by that.

When American workers pay their Social Security taxes, it is not voluntary, it is mandatory. We say if you earn a dollar, then part of that dollar must go into the Social Security Trust Fund. But this particular tax will only go to the trust fund.

That is a covenant we have with people we tax. It is not a choice. We do not decide when we get the money to put it here or there. Putting this money in the Social Security trust fund is a requirement. It is a law.

But what are we doing now? We say now and have said for years that we will tax you and put it in a trust fund and use it in our charts to show that the deficit is reduced, because we collect more in Social Security than we need.

I was part of the group in 1983 that wrote the Social Security reform legislation in the House Ways and Means Committee. It was tough medicine. We increased Social Security taxes. We increased the age from 65 to 67 in the outyears. We got rid of a number of different kinds of benefits for survivors.

We did all that for a very specific reason. We knew that when the biggest baby crop in this country's history reached retirement age, we were going to have trouble. We needed to save money for that date. We started deliberately creating surpluses in the Social Security Fund. This year, the surplus is going to be around $66 billion, close to $70 billion.

But if you look at the back of all of these budget books describing the economy, and if you look at the detail of this balanced budget amendment, where the deficit is computed, the Social Security revenues are used to reduce the operating budget deficits. That is wrong.

I am going to offer an amendment to correct that. I do not know whether it will be accepted. But nobody, in my judgment, can stand on the floor of this Senate and defend this practice. It simply is not defensible.

If we are going to put this away and save it for the future, as we must and should, let us do it. We should not tell people we are taking it out of your paychecks and putting it in a trust fund, and not mention that, by the way, we'll use it to show a reduced budget deficit. Under this scheme, you could conceivably have an operating budget deficit of $200 billion in a year and have a surplus in the Social Security System of receipts over expenditures of $200 billion and have a balanced budget. Under these current computations, this proposed constitutional amendment would balance the budget. We would say we are just fine, perfectly balanced; we would be at zero, supposedly, and no action would be necessary.

But that is not the case.

Whenever we collect Social Security, deliberately creating a surplus for the future, we must, in fact, start saving that for the future. This balanced budget amendment proposal does not do that. So I am going to offer an amendment to try to change this.

Yes, the supermajorities the amendment would require are troublesome to me. But the fact is, if you do not have that, you do not have an enforceable situation with respect to the balanced budget.

The issue of involvement by the courts is troublesome, as well. But many States have constitutional provisions that require balanced budgets. I do not know of a wave of State courts being involved in the fiscal affairs of the States. I might be wrong. I would like to hear from my colleagues if that is the case.

At the State level, where you have a State constitutional requirement for a balanced budget, the State courts generally have not been involved in the fiscal policies of the States as a result. Why should we expect massive court involvement at the Federal level? I would enjoy hearing my colleague respond.

I am happy to yield.

Mr. SIMON. My colleague is absolutely on target. The cases are very rare. There have been a few, but they are rare indeed. So the combination of that experience, plus the other amendment should really preclude any problem along this line.

Mr. DORGAN. I appreciate the comment.

This proposal is not new. The States have it in their constitutions. Presumably, if there will be a real mess as a result of this proposal, the State courts will have already demonstrated that kind of a mess.

But the other point made is that this proposal is countercyclical in the Keynesian sense. Keynes was an economist who believed that the Government, through its spending patterns, can really affect our economy. When things slow down, we can have massive Government investment to speed them up.

I studied Keynes. I even taught Keynes in college a bit. And no one can convince me that anybody in the history of humankind has ever been more Keynesian than this country has been lately. Can you be more Keynesian or stimulative than $300 billion deficits? I doubt it. We had what you would call a gigantic Keynesian countercyclical stimulus as we moved into the recession.

But of course nobody has repealed the business cycle. Nobody ever will. I do not demean the argument made by this amendment's sponsors that we need the opportunity to use fiscal policy at the Federal level, complimenting monetary policy, to respond to the business cycle. Clearly we do.

But I just say that if one holds out the hope of some countercyclical Keynesian stimulus as the method by which we will improve our economy, we have demonstrated the absurdity of that in recent years.

What will really improve our economy, I am convinced, is for us to demonstrate to all the folks out there who rely on this Government, to the folks that run this Government, that we can exercise some discipline in what we spend and what we raise, and we can balance our books.

My colleague from North Dakota, Senator CONRAD, echoed my sentiment. I do not believe the budget has to be balanced every year, but I believe over time it must be balanced. And I think there was some testimony before your committee, Senator SIMON, which I heard you mention yesterday, in which some suggested that there are times when we should have a surplus of 1 or 2 percent.

There are times when your economy is moving along at a pretty healthy clip, you have good economic growth, fundamentals are sound. One would expect in those periods that one would be able to accumulate a little reserve so you could use that reserve for countercyclical investment, when the business cycle begins to turn the other way. As I said, we cannot repel the business cycle. Nobody is going to repel the business cycle. We had a business cycle before we had the income tax.

The fact is, we need to be available to use the devices at our disposal to respond to a recession. But the best thing we can do for our country, I am convinced, is to get our fundamentals in order.

Let me compliment this President. He has done a whole lot more than the other two. The other two always claimed they were for a balanced budget. But they didn't do what this Presi-

dent proposed and this Congress did. We took tough medicine last year to try to ratchet down the deficit, and we have. But the deficit will grow again.

So let me just read a few of the administration's projections about our economic future. This is page 249 of the summary tables of the President's budget. The on-budget surplus or on-budget deficit are both on this table. And on-budget means that you take the Social Security surplus out of the number, because Social Security is now legally off budget, although you wouldn't know it from the numbers the administration and other people throw around.

The on-budget deficit for fiscal year 1995 will be $225 billion. That is relatively good news. If last year's bad news was $350 billion, $225 billion is better. But in 1996, it will go to $236 billion; in 1998, it will go to $279 billion; in 1999, to $278 billion.

Even with the Social Security revenues used to reduce the deficit in the year 2004, the deficit will be $365 billion. Our total accumulated debt will be close to $8 trillion.

One can make a case for doing nothing, I suppose. But in my judgment that would be irresponsible. The question is not whether we do something. The question is what.

We can monkey around with all kinds of devices or we can have a debate here, as we are, about changing the Constitution.

Senator BYRD was absolutely correct when he said changing the Constitution will not balance the budget. Let us assume it is voted on here tomorrow and in the House tomorrow night and it goes out as ratified. It will not change by 1 cent the budget deficit, until and unless men and women take actions to respond to the constitutional requirement.

We will need to consider a range of options, some of which are probably easy to do. But some of them will be agonizing and tough. They will confront us with some of the most difficult decisions that American society has had to confront, in its democratic way, through the Congress.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DORGAN. I ask the Senator for 3 additional minutes.

Mr. SIMON. I yield 3 additional minutes to the Senator.

Mr. DORGAN. There are going to be many arguments proposed both for and against this constitutional amendment in the days ahead.

I am a cosponsor of the amendment and I am very likely to vote for the amendment.

I want to offer a change, as I said. I want to see the change the Senator is talking about offering to his own amendment. But I do not think we have the luxury of continuing to do what we have done for the last decade.

We will hear a lot of fancy arguments. But there is one timeless truth that existed in this Chamber before this debate started and will exist after it is over. That timeless truth is you cannot forever spend money you do not have. You cannot forever spend resources that honestly are your children's.

We must somehow confront this problem. The Senator from Illinois serves rather than betrays us by bringing this issue to the floor of the Senate now. None of us would prefer to deal with it. The easiest approach, I suppose, is to say; "Well, gee, this is a tough issue. Let's postpone it." But I am not interested in postponing these issues until we have an $8 trillion debt.

I put to bed every night a young boy and a young girl and tell them a story. I want that story to have wonderful messages of hope and inspiration in it. But, one piece of hope and inspiration they may not yet understand because they are too young would be if I could tell my young son and young daughter that we have done the things that are necessary to make their future bright. I want to be able to give them some notion that in the years ahead this country will be a strong country, moving ahead with economic expansion, providing jobs and opportunity and hope to families again.

Instead, our country has a mess of trouble. It is a wonderful place. But to make it as good as it can be is going to require all the leadership we can muster to make these kinds of tough decisions.

I wanted to say a few things about the constitutional amendment today. And I would say to Senator SIMON I think he has served the interest of this institution and this country by raising these questions.

I would also say to those on the other side of the aisle who joined him, and colleagues of mine who have joined him, that this is a debate that has been too long postponed, and I hope will result in satisfactory answers for all of us and good progress for our country's future.

I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. SIMON. Mr. President, I thank my colleague from North Dakota for his common sense and his wisdom.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The President pro tempore is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield 30 minutes to the distinguished Senator from Ohio [Mr. GLENN].

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. GLENN. Mr. President, I thank my distinguished colleague from West Virginia.

Mr. President, this is a most important debate. As the Senate begins to debate a constitutional amendment to require a balanced budget, I am sure that we are not going to hear many voices in support of increased spending and spiraling deficits. It is very attractive, to vote for a balanced budget and that proposes to take care of our problems. It forces us into doing something that we might not otherwise do. It reflects the fact that all of us here have grown so frustrated over the years with deficit spending, deficit spending that just seems all too intractable.

Over the past decade, Democrats and Republicans have pointed fingers at each other. We pointed fingers at the White House, the White House has blamed Congress, the Congress blamed everybody. While everyone argued, the national debt has soared out of control.

What led us into this? We had basically a 12-year experiment with supply-side economics, and the answer to the experiment is that it did not work. During that time our national debt quadrupled from $1 trillion to over $4 trillion. It led us into deficits and deficit spending beyond anything that we ever thought possible and into more debt than we ever thought possible for this country.

Without arguing the merits of Laffer curves and supply-side economics, we looked for what some saw as gimmicks. We were in gridlock, and many reached out for simple solutions to what are very difficult problems. And they are difficult problems. They are tough. We looked at and tried what some saw as gimmicks and others called tough medicine. We are going to show our merit around here. We tried measures like Gramm-Rudman. We considered line-item vetoes and a balanced budget amendment. They all fit in the same category of things that reflect the gridlock we got into and the concern that we had about this ever-spiraling Federal deficit.

Our approach to budgeting has been to say: Look, Ma, no hands. We will put ourselves on some sort of automatic track and that will take care of it. It reflects a deep frustration that has caused many of us to consider this kind of approach more and more seriously over the years; the balanced budget approach. It is not unattractive. It is a forcing mechanism. I compliment my distinguished colleague from Illinois for bringing this forward because he is just as concerned as anybody in this body about the fact that we cannot go on into the future, mortgaging the future of our grandchildren, as he point-

ed out so eloquently in our Democratic conference yesterday.

We know that the real solution—rather than trying to put us into some sort of legislative solution—the real solution starts with responsible leadership making hard choices and casting tough votes.

In an attempt to force responsible leadership, back some years ago I authored legislation—it was twice passed by the Senate—that would have forced the President to submit a balanced budget to Congress and if he did not, to explain why. In that legislation, we went back to the 1921 legislation, the Budget and Accounting Act, where the President submits a budget and if it is out of balance, the President will suggest to Congress, and the words were, "appropriate action." And appropriate action was taken to mean new taxes, loans, or other.

In other words, it required the President to make recommendations regarding new taxes, loans, or other—as the way they defined appropriate action—to meet projected deficits if an unbalanced budget was submitted. This section was restated in the 1982 recodification of title 31 of the United States Code and the specific references to new taxes and loans were removed. That is why I subsequently offered legislation explicitly requiring that the President submit a balanced budget and, if not, explain why. It was my hope that this would force the kind of responsible leadership necessary to end budget gridlock.

Mr. President, although my provision was passed twice by the Senate, it was not enacted into law. We debated it on the floor. I had a lot of support for it. It was passed. It was not just passed with some kind of unanimous consent. It was considered very thoroughly on the floor, and we passed it. I felt that that kind of leadership was necessary to do something about the deficit. I was proud of that.

While it has been sometimes tempting in the past to consider a balanced budget amendment, we have to view it in light of today and the current circumstances in which we find ourselves. What are those current circumstances?

Last year, we saw the inauguration of a new administration committed to reducing our budget deficit. In its first year, the administration proposed and the Congress passed the largest deficit reduction bill in the history of this country. Last year's bill will reduce the deficit by $504.8 billion over 5 years. We have seen the deficit estimates drop by 40 percent from a projected $302 to $176 billion. The deficit is projected to decline for the next 3 consecutive years, something that has not happened in over 40 years, since the days of Harry Truman—40 years. We are now heading in the right direction.

The President's budget proposal for this year calls for cuts in more than 300 programs; 115 programs are targeted for elimination. For the first time since 1969, discretionary spending will actually decline.

Secretary of the Treasury Lloyd Bentsen, our former colleague in the Senate, former chairman of the Finance Committee said, "There is a lot of pain in it, a lot of blood on the floor," and he was right.

I, for one, think there can be even more blood on the floor, but now it is up to us in Congress to spill that blood to make sure that we keep this trend going.

At last we are putting the days of budget gridlock behind us. The President has led the way and the Congress is making the cuts that need to be made. Our economy is starting to recover; housing starts are up; industrial production is up; unemployment is going down.

We had testimony just a couple of days ago from the Chairman of the Federal Reserve Board, Alan Greenspan, in which he said he cannot recall as good an underlying base for the long-term outlook than we have today.

Just when we are stepping out of the straitjacket of gridlock, just as we are beginning to head in the right direction, we are being asked to step right back into another straitjacket: the balanced budget amendment.

I think this takes us back to an earlier day. It is a vestige of the days of finger pointing and inaction; it is a day when I, too, shared the frustration of gridlock that forced us in desperation to look for mechanical means of leadership. But I believe we have passed the time when that would be an appropriate solution. I believe that kind of activity has no place in today's consideration of what is best for us.

Make no mistake about it, just the idea, the concept of saying we want a balanced budget amendment that is going to force us into something is very attractive—very attractive.

We do have to cut Government. I am chairman of the Senate Governmental Affairs Committee. We had hearings today on H.R. 3400, the House bill that starts for the first time to reinvent Government, as Vice President GORE has put it. We had a hearing this morning on that bill, which I chaired. We had Mr. Charles Bowsher, Comptroller General of the General Accounting Office, and Ms. Alice Rivlin, who is Deputy Director of the Office of Management and Budget. One of the things we considered this morning is how we go about reducing the number of Government employees by 252,000 over a 5-year period.

We are getting into this in depth and considering some major measures on how we are going to control Government spending.

As to the cutting down of employees by 252,000, just to give an example and expand on that just a little bit, the Government ratio of managers to employees is about 1 to 7. In most private industries, that ratio is about 1 to 12 or 1 to 15. In labor-intensive industries, it is probably about 1 to 20. We want to cut out some of this middle management bloat that has occurred in Government, the GS-13's, 14's, and 15's.

Will that alone solve the deficit? No, it will not, but it is indicative that we are, in fact, not just nibbling around the edges of this thing; we are taking substantive action to get the budget under control. It is going to take some time and we must, we simply must, stop this deficit dead in its tracks.

I think we have the chance to do that, and let us do it right, not in a way that will place Government in a straitjacket, eliminating our ability to respond to, for instance, economic cyclical downturns, eliminating our ability to react to national crises, to make rational budget choices, and to adequately prepare for military threats. And inserting instead courts and endless litigation into the budget process.

I think it is very important to remember how important our national budget is and what a broad impact it has on our general economy.

Many have reminded us that most of the States are required to balance their budgets. They say, "If the States can do it, why can't the Federal Government do it?"

Let us be clear about exactly what the States do. Most States, typically, have separate budgets for operating and capital expenses. So it is not the same thing as the Federal Government. Requirements for balanced budgets apply only to their operating budget. Many State investments made in roads, in bridges, and school construction can be financed through bonds or other borrowing measures, and does not count as it does in the Federal accounting process. In fact, State debt actually rose to a record high of $372 billion at the end of fiscal year 1992.

Our national budget does have a broad impact on our general economy, and our economic policies have had a favorable impact on the boom and bust cycles of an unregulated economy. This Nation once was at the mercy of devastating economic disasters. Look back through history. Just pick up the encyclopedia, pick up the World Book, as I did in my office a little while ago, and look at it. I saw a chart that shows the panic of 1873, the panic of 1893, the panic of 1907. I can well remember the catastrophe of the Great Depression. I was a boy during those days of the early 1930's, and I remember when we had to go out and plant a bigger garden so we could take care of not only ourselves but some of the other people in our small town of New Concord, OH, where I grew up.

I remember those days of the Great Depression very well. I remember my parents talking once about whether we

were going to lose our home or not. New Government policies were put in to help with refinancing mortgages. I was part of that, and I was old enough that I remember some of those things to this very day. Federal economic policies have often relieved the suffering of a downturn in the economic cycle.

Now, if you look at that same chart I referred to just a moment ago, in the World Book, from the days of the Great Depression, when new economic policies were instituted, have we had recessions? Have we had dips? Yes, we have had dips but nothing that even approached those days of that Great Depression that started in 1929 and ran for nearly a 10-year period. Movies, such as "The Grapes of Wrath," have depicted what really happened back in that time period. Federal economic policies have often relieved the suffering of the economic cycle.

Under the proposed amendment, in times of economic downturn our economy would in effect, be placed on autopilot. The economic downturn would cause an unpredictable hemorrhage of revenues. Tax increases and massive spending cuts would be forced at just the time a fragile economy could not sustain them. That is just what turned a recession into the Great Depression of the 1930's. Policies instituted back at that time helped to bring us out of that depression as well as World War II, of course. But since that time, we have had policies that were countercyclical, that operated to stimulate the economy just at times when needed. Not to put in tax increases and massive spending cuts at a time when the economy would not be able to react.

Because three-fifths of the Senate would be needed to suspend this amendment, a minority of legislators, 40.1 percent of legislators, would decide the fate of all Americans during these times, during times when we might want an economic stimulus. That is less than a majority, obviously. I think we should be deciding these things not by requiring a supermajority, but I think a majority will of the people should be expressed.

The judicial consequences of the amendment have brought together an unexpected alliance of legal scholars who have linked arms in opposition to the amendment. Liberals such as Archibald Cox, Laurence Tribe, and over on the other side, conservatives such as Robert Bork and Charles Fried, all think, to quote Robert Bork, that it is a serious mistake.

Why? Because as the executive and legislative branches throw up their arms and say, in effect, look, no hands; we can just put this on autopilot, the courts then will be forced to come into the process. The courts will be forced to determine compliance with the amendment if it is brought into the courts, which it undoubtedly would be. If we pass this amendment, we better appropriate money for accountants at the Supreme Court because I think they are likely to need it. Every interest group that is unhappy with a cut that is being proposed will file suit and say that Congress is not complying with the amendment. This sounds like a lawyer's dream, I guess.

If Congress and the Executive should fail to comply, what next? What is the next step? Will unelected judges then mandate tax increases or budget cuts?

The amendment says that Congress can at some future time enact enforcement legislate to iron out some of these questions. But I must say I would feel much more comfortable about amending the Constitution if some of these questions were answered now, not at some later date.

Would the same minority of legislators decide the fate of Ohioans hit by a natural disaster or the people of California or Hurricane Hugo down along the east coast? Would we be locked into a straitjacket there? Over the years tornadoes and floods have ravaged parts of Ohio. The Federal Government has come to our aid, as we do for other States when they have a problem.

But with the amendment in place, legislators who have never even been to Ohio would suddenly have veto power over Government compassion. "Tough luck. You are on your own, Ohio. You did not give us any notice. You were struck by a tornado but we did not include any relief in the budget. We would like a little warning next time, or have your disaster early in the year when there is relief money available."

That would be the kind of thing we have the potential of stepping into with this kind of straitjacket, it seems to me. We turn over the hourglass and frantically begin hopping around trying to figure out what to do next and, like Houdini, the Congress has always been very good at finding its way out of these things, creating some smoke and mirrors, the same things that made a mockery out of Gramm-Rudman. And that is what America thinks Congress will do also.

A Wall Street Journal-NBC poll showed that 77 percent of Americans think that a balanced budget amendment would not produce a balanced budget. They think that Congress will spend more time trying to get out of the amendment's requirements than trying to comply with it. And you know, they might be right. They know that the real solution lies in responsible leadership and in tough action.

Let us say Congress earnestly seeks to comply with the amendment. The timer goes off and away we go. The race begins. Congress has until 2001 to come up with $600 billion, give or take $100 billion, given the way budget estimates can vary, and it does not matter what may happen in the meantime, what emergencies may arise, what threats we may face overseas, what our national priorities may be. In the process I fear that the historic health care initiatives might be one of those things that would get trampled.

The Clinton administration has worked very hard to come up with savings to finance health care reform, and I expect these savings will be the first thing grabbed up in the wake of this amendment. I hope we do not do this, because with them will go the hopes of millions of Americans who thought for the first time they and their families would have access to basic health care that they could rely on for the future.

(Mr. CONRAD assumed the chair.)

Mr. GLENN. There is another area that I have some very serious concerns about, very serious concerns, and that is doubts about whether our national defense might become victim to this frantic race.

The amendment has a military conflict waiver which is extremely important, but I do fear that this may not go far enough. What happens if America faces a military threat—not a conflict, a military threat? Will we be able to gear our forces up from the confines of a straitjacket?

We have a very interesting cycle that has gone on in this country ever since the days of the Spanish-American War. It is interesting to look at. It shows that on an average there is a 17-year cycle in which we have a buildup and builddown of our military forces. Ever since the days of the Spanish-American War we buildup, builddown, buildup, builddown.

Every time we have been so optimistic that peace has broken out and we can relax we have cut back on our military forces. Later we have turned right around and built up again on this 17-year cycle.

This cycle depicted on a chart is interesting to look at. Someone brought it to my attention one day, and I have made copies of it and have passed it out to a lot of people. Every 17 years we decide the world is safe, we can cut back on our military and then something happens that makes us reconsider and we begin building up again to prepare for this new threat.

Military readiness is not something that just happens overnight. We cannot wait for a declaration of war to start building up. It does not work that way. You cannot produce the equipment that fast. You cannot train the people that fast. This concerns me very much because we are in the process of reducing our military personnel down to 1.6 million by the end of next year; our active duty forces. And it is now proposed that we take it on down even lower than that.

I think our worldwide commitments are beginning to outstrip our military ability to back up those commitments. Congress is charged in the Constitution

with the awesome responsibility of providing for the common defense. Today we are debating an amendment to the Constitution which I fear may not allow Congress to live up to that responsibility. There are trouble spots throughout the world that could erupt at any time. We have seen that over and over.

Not only that, what will our allies as well as our adversaries think if they know that we have no ability to rise to the occasion? I do not think our NATO partners would view us as being that reliable if we have locked ourselves into no spending on military matters unless we have some sort of an emergency, that we cannot be prepared unless some eminent or actual conflict is going on.

The States may balance their budgets but one of the fundamental differences between the States and the Federal Government is providing for the common defense. States are not constitutionally required to raise and support armies or provide and maintain a Navy.

What are the possible effects of this amendment on State and local governments?

I have been working hard to reverse the recent trend of unfunded Federal mandates. We place many requirements on the States to do things and we share the expenses. But trying to take care of this problem will be virtually impossible if we pass this. We look to the Governors of the States who are so concerned about this, and the State legislatures, and it seems to me it is going to be a much tougher fight to take care of some of those unfunded mandates if this amendment is in place. Legislators will seek to carry out their agendas through mandates and regulations on State and local governments, and nobody can afford that.

Mr. President, if we want a balanced budget amendment that requires cuts—that is what this would do, it would require cuts—I would suggest that it would be better to figure out what those cuts would be, make a list of the cuts, and figure out what areas we are going to cut. Are we going to cut in crime prevention, farm supports, or Social Security, or health, or education, training, employment, emergency spending, unemployment compensation, Medicare, Medicaid, Federal deposit insurance, international obligations, national security?

Are we going to cut what we can do overseas with regard to Somalia, Bosnia? These are not declared wars. What are we going to do in these areas?

What if something erupts one of these days where there are hundreds of thousands of people who are in danger or actually dying now in Angola, or Chad? What if something breaks in North Korea? Should we be prepared? Are we going to cut in these areas?

If this is what we are to do, if we are going to lock ourselves in a straightjacket, then we are going to force ourselves to cut in some of these areas. Let us describe right now, ahead of time, what the cuts will be and where they come from. Let us total up the dollars, and maybe we do not even need a balanced budget amendment. We can start voting these things one at a time and see if they are acceptable rather than placing ourselves in that kind of a straightjacket.

Mr. President, I think the Cincinnati Post said it all in a recent editorial:

Despite its superficial appeal, a balanced budget amendment would exacerbate distortions already present in the political system without curing the Federal Government of over commitment. For that the only antidote is political will.

They are right. Mr. President, it is time we stopped debating these mechanical fixes. Let us put the days of gridlock behind us and get to work. The President has sent us a budget that continues the fight. Last summer we all debated whether we would vote for the reconciliation bill that made some very tough cuts. Those were hard votes. We got the whole thing started. And the President is continuing it with this year's budget.

The last time we debated the balanced budget amendment we were on the wrong track with deficits going steadily uphill. Now we have made a new start, and the President has sent us a budget that reduces spending; we can reduce it more. It cuts some programs; we can cut a whole lot more. We do not need constitutional cover to make the tough choices.

I think those tough choices are what we were sent here to do. We have a good start. Let us finish the job.

I regret very much that I must oppose the balanced budget amendment.

Mr. President, I ask for 2 more minutes please.

Mr. BYRD. Mr. President, I yield 2 additional minutes.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 2 additional minutes.

Mr. GLENN. Mr. President, I would also ask unanimous consent that editorials, one from the Cincinnati Post, one from the Cleveland Plain Dealer, three from the Washington Post, and one that appeared in the Wall Street Journal on October 28, 1993, called "Congress v. The Framers and Reason," be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Cincinnati Post, Feb. 16, 1994]

NO WAY TO CURE A DEFICIT

In a scant half-page, an impressive collection of the nation's top legal scholars sum up the case against the Balanced Budget Amendment to the Constitution. From Lawrence Tribe and Archibald Cox on the left to Robert Bork and Charles Fried on the right, the 17 jurists blast the amendment—due to be debated in the Senate next week—as "a serious mistake."

We agree—for most of the reasons the scholars recite in their letter to Sen. Robert Byrd, D-W.Va., an amendment opponent. The first reason, though—that outlawing deficits would "deprive Congress and the President of needed flexibility—we would put differently. The amendment pretends to deprive Congress of needed flexibility, while actually changing little since by a mere three-fifths vote Congress could authorize the same deficit spending it has opted for every year since 1969.

Either Congress would openly vote to circumvent the ban on new borrowing or it would use unrealistic budget assumptions and balance the budget only on paper. Who would punish it? One possibility, the scholars note, is that the federal courts would step in, inappropriately called on to settle intractable budget choices by judicial fiat.

Yet another form of false compliance the letter cites is passing the buck. The amendment would create "a permanent incentive to accomplish national objectives * * * through * * * mandates and regulatory burdens on state and local governments and the private sector." This incentive already exists, it would be magnified a thousandfold under a Balanced Budget Amendment.

In 1995, the president proposes to spend $176 billion more than Washington takes in. If that deficit had to be erased, what would Congress and the president be more likely to do: order painful service cuts, job losses and new taxes worth $176 billion, or conceal some of the damage by shifting costs to states, localities and businesses?

Despite its superficial appeal, a Balanced Budget Amendment would exacerbate distortions already present in the political system—without curing the federal government of overcommitment. For that, the only antidote is political will.

[From the Cleveland Plain Dealer, Feb. 22, 1994]

BALANCING BUDGETS

It's hard to dispute the central premise of the many politicians who will argue on the Senate floor this week in favor of a constitutional amendment to balance the federal budget. Without a straitjacket imposed from outside, they say, Congress will never summon the discipline to restrain its impulse to spend more money each year than it has.

Who can argue with such a prediction?

Just last week, hoping to sway the close vote coming soon in the Senate, the Clinton administration dispatched a phalanx of Cabinet secretaries to Capitol Hill to preview the horrors that would follow enactment of a balanced-budget amendment.

Among other things, the Cabinet secretaries said, a balanced-budget amendment would jeopardize economic growth, throw defense planning into chaos, increase crime and hurt the poor and the elderly. In other words, a central premise of many opponents of a balanced-budget amendment is that the nation would be hurled to the brink of disaster if the government were ever forced to balance its books. Deficits, in other words, are healthy.

To those of us who look askance at borrowing, the administration's arguments were less than persuasive. Indeed, they stengthened the case of respected advocates of the amendment, such as Sen. Paul Simon and former Sen. Paul Tsongas, who note the cost to future generations of the huge interest bills necessary to finance the federal government's debts.

Still, for all our sympathy toward those frustrated by federal spending habits, we will

be siding with the opposition when debate begins on a balanced-budget amendment today. Our concern is less with fiscal nightmares that the ramifications of fiddling with a document as sturdy and wise as the U.S. Constitution.

Amending the Constitution is a huge step that should be taken only after careful consideration of the likely consequences. Certainly, the recent history of deficit spending in Washington suggests a need for something dramatic to change a dangerous habit. But there is reason to question whether amending the Constitution would solve the problem of perennial overspending, and whether it would do so without damage to important institutions.

There are grounds for concern on both fronts. In order to ensure some fiscal flexibility, the proposed amendment would allow deficits in any year when Congress could muster a three-fifths majority in favor of such a move. That exemption would almost certainly suffice to allow deficit spending in times of war and recession. But given Congress' fondness for spending, it probably would suffice also to allow deficits when such emergencies are absent.

Congress could sidestep a balanced-budget amendment in another, less obvious way—by building budgets on unrealistic economic forecasts that exaggerate likely revenues or underestimate expenses. As any observer of Congress knows, lawmakers are expert at finding ways around spending limits.

Which raises the question of how a balanced-budget amendment would be enforced. Who would resolve the dispute if Congress were accused of approving a phony balanced budget? Do we want federal courts to become referees in bruising budget battles that have traditionally been the province of the legislative and executive branches?

Advocates of the amendment ask poignantly what alternative there is to coax Congress to behave more responsibly. The answer is the ballot box.

[From the Washington Post, Nov. 8, 1993]

DISTORTING THE CONSTITUTION

President Clinton on Friday took a position on the misnamed balanced budget amendment to the Constitution, on which Congress is scheduled to vote in the next couple of weeks. He's opposed, as well he ought to be; he laid out the principal reasons in a compelling letter to House Speaker Tom Foley. You could be forgiven if you failed to get the news. There was no announcement; the letter was sent up late Friday afternoon, which is exactly when administrations generally take actions they hope won't get noticed. Officials say that wasn't the intent, and that the administration plans to campaign vigorously against this insidious proposal in the time that remains. We hope so.

This amendment wouldn't require, and most of the time would likely not produce, a balanced budget. It would simply require a three-fifths rather than majority vote of both houses to pass an unbalanced one. The balance it would mostly affect is the balance of power. It would add to the price that a president—any president, of any persuasion—would likely have to pay each year to get a budget passed. Every year Congress searches for the perfect vote on the budget, the one that will let it stand four-square for frugality without having to say at whose expense the frugality is to be achieved. The amendment has the added virtue of putting off the frugality until later; it will be another Congress's responsibility to achieve.

The president rightly observed that "the amendment by itself would not reduce the deficit by a single penny." But unlike some of the gimmicks that have preceded it, this one would tamper with fundamental law and likely do great harm to precisely the future ability to make the disciplined choices that sponsors say it would enhance. It would enshrine minority rule, and thereby add to the chance each year of gridlock. The president warned that by likely increasing "accounting subterfuge * * * for example * * * moving more federal programs off budget or * * * imposing more unfunded mandates on the states," it might well end up producing less fiscal responsibility rather than more.

It would be "bad economics," he said, in that it would complicate the government's counter-cyclical role, wherein the deficit automatically widens when the economy turns weak; it "risks turning minor downturns into serious recessions" and "would make recovery from recession far more difficult." The amendment could do programmatic harm as well. The goal of some supporters is not so much to balance the budget as to shrink the size and role of government. The president spoke up for reducing the "investment deficit" as well as the budget deficit. He said the amendment could "make it impossible to pass meaningful health reform legislation." Aides are preparing to warn backers that other likely effects could include increased pressure on defense and a greater burden on precisely the states that would have to ratify the amendment; that's because federal aid to state and local government would likely be cut.

This amendment, far from facing up to such choices, closes its eyes to them. It is a means of deferring precisely the discipline that it pretends to impose; in the name of strengthening the government, it would hobble and weaken it. It abuses the Constitution by using it as a political shield. Mr. Clinton, whose budget this year was itself a good first step toward deficit reduction, is right to oppose it. Congress should vote it down.

[From the Wall Street Journal, Oct. 23, 1993]

CONGRESS VS. THE FRAMERS—AND REASON

(By Albert R. Hunt)

Despite tough competition, Congress may be on the verge of its dumbest act in years: monkeying with the Constitution, while ignoring the Founding Fathers as well as contemporary constitutional scholars, ranging from liberal Archibald Cox to conservative Robert Bork. In the process, lawmakers would display the rankest hypocrisy.

This remarkable feat would be a constitutional amendment to mandate a balanced budget. The only exceptions would be war or if a statutory three-fifths of the total members of both houses vote for an unbalanced budget. The chief Senate sponsor, Paul Simon (D., Ill.), says he has a commitment from the leadership that it will come up within the next month.

In 1986, the Senate voted on a similar measure and it lost by one vote; the environment is more conducive today. Private tallies suggest supporters are only a handful of senators away from the required two-thirds support. If it passes the Senate, favorable action is likely in the House, where it fell nine votes short last year, a margin more than offset by electoral changes.

The prospect is mind-boggling. The same institution that has approved $2.6 trillion of red ink over the past dozen years now wants to cure the problem by amending the Constitution. Many supporters cynically figure this will divert attention from their cowardice in tackling real budgetary issues and priorities. "To use the Constitution for such a purpose not only trivializes it by an irrelevancy but, in the long run, would reduce the respect for, and therefore the effectiveness of, our bulwark of liberty," charges Archibald Cox, chairman emeritus of Common Cause and the former U.S. solicitor general and Harvard law school professor.

Even in the short run the people may be much smarter than these politicians think. By an overwhelming 77% to 17%, people don't think a constitutional amendment actually would produce a balanced budget, according to this week's Wall Street Journal/NBC News national survey.

Experience is on their side. Take, for example, the 65 members of the House who this year voted against both the Clinton deficit reduction plan, with many saying it relied too much on tax hikes, and the Republican alternative, with many saying it cut spending too much. Yet these 36 Republicans and 29 Democrats are sponsoring the balanced-budget amendment.

"We need the forced discipline of a constitutional amendment," explains Rep. Sonny Callahan (R. Ala.), one of the 65. Why did he vote against the GOP budget-cutting plan? Mr. Callahan says it was too tough on Medicare and other sensitive entitlements. In the Senate, the amendment's patron saint, Paul Simons, last week sent a private memo to President Clinton advocating an expansive new program for the inner cities. It apparently is interesting and meritorious; it also is totally at odds with his amendment.

It's tough to figure whether this amendment would do more harm economically or politically. Even most traditionally conservative economists agree that trying to balance the federal budget in recessionary times is crazy. And in a well-reasoned 25-page analysis, Robert Greenstein, of the liberal Center on Budget and Policy Priorities, convincingly argues that under a balanced budget amendment—which could take effect before the end of the decade—the poor would bear "the heaviest sacrifices since they are the weakest constituency."

But the political damage might be even greater. Since a balanced budget often would be politically and economically disastrous, the real issue would be how to get a 60% vote for revenue and spending measures; in both houses, 40.1% of the members would have an effective veto power.

There's an illustrative model: California, where a two-thirds legislative majority is required to pass a budget. This minority rule has had the effect of decreasing accountability, increasing the influence of special interests and creating a general chaos that has served neither the politicians nor the people well. Whatever reforms are desirable for Congress, becoming more like the California Legislature isn't one of them.

This year it would have meant that President Clinton never would have gotten a budget through, or it would have been one almost identical to the last Bush budget, after voters demanded change. The effect, in the House at least, would be to give Newt Gingrich veto power over fiscal policy.

Sounds pretty good, some conservatives no doubt are thinking. Think harder. This minority rule also would have killed the Reagan tax cuts of 1981, which fell 23 votes short of three-fifths of the House. And, if conservatives really believe that Mr. Gingrich has a real shot to be speaker before the decade is out, how about liberal Democratic Rep. Barney Frank exercising a similar veto power?

"This is a conservative measure that conservatives haven't thought about," worries Robert Bork. "It would create a real mess."

He highlights two likely unintended consequences: more regulation and more power accruing to unelected judges. Congress almost surely would try to get around any binding fiscal restraints by escalating regulatory measures, which, Judge Bork argues, "could be worse than taxation from a conservative point of view." Moreover, if lawmakers circumvented the limits simply by adopting wildly unrealistic estimates, there's no enforcement mechanism. The result: the courts would get deeply into fiscal policy.

THE HYPOCRITICAL 65

Here are the 65 members of the House who earlier this year voted against both the Clinton and the Republican plans for reducing the deficit but now sponsor a balanced-budget constitutional amendment:

Democrats: Browder (Ala.), Coppersmith (Ariz.), Condit (Calif.), Deal (Ga.), Rowland (Ga.), Lipinski (Ill.), Long (Ind.), Roemer (Ind.), Baesler (Ky.), Hayes (La.), Minge (Minn.), Parker (Miss.), Danner (Mo.), Skelton (Mo.), Swett (N.H.), Andrews (N.J.), Pallone (N.J.), Mann (Ohio), Traficant (Ohio), English (Okla.), Johnson (S.D.), Clement (Tenn.), Chapman (Texas), Edwards (Texas), Goren (Texas), Hall (Texas), Laughlin (Texas), Sarpalius (Texas), Wilson (Texas).

Republicans: Callahan (Ala.), Stump (Ariz.), Huffington (Calif.), Allard (Colo.), Hefley (Colo.), McInnis (Colo.), Schaefer (Colo.), Canady (Fla.), Diaz-Balart (Fla.), Fowler (Fla.), Ros-Lehtinen (Fla.), Stearns (Fla.), Kingston (Ga.), Burton (Ind.), Grandy (Iowa), Leach (Iowa), Lightfoot (Iowa), Roberts (Kan.), Rogers (Ky.), Bentley (Md.), Emerson (Mo.), Hancock (Mo.), Barrett (Neb.), Bereuter (Neb.), Vucanovich (Nev.), Boehlert (N.Y.), Taylor (N.C.), Gillmor (Ohio), Regula (Ohio), Machtley (R.I.), Spence (S.C.), Duncan (Tenn.), Bateman (Va.), Goodlette (Va.), Petri (Wis.), Roth (Wis.).

Writing economics into the Constitution and requiring a supermajority for important actions aren't new ideas. In the Federalist Papers, Number 58, James Madison considered the idea of a supermajority and persuasively rejected it: "the fundamental principle of free government would be reversed. It would be no longer the majority that would rule; the power would be transferred to the minority."

Over the next few weeks, as Congress decides whether to profoundly change the Constitution, take your pick: James Madison or Sonny Callahan.

[From the Washington Post, Nov. 1, 1993]

A SLOPPY WAY TO GOVERN

To pass his budget last summer, President Clinton had to promise some further votes on fiscal matters later in the year. Those fuzzy and incautious promises are now coming due. The problem for the president and the leadership in Congress is that they may not have control over the terms of the votes. The anti-spenders are teeing up the choices in such a way that members will mainly be able to vote against spending in the abstract, say yes to cutting without saying how. That will be fine for the holidays; everyone can go home having cast the perfect vote, which is always for virtue without pain. Only later will they—or someone—have to figure out how to govern within the limits to which these showy and unwise propositions could condemn them.

The most dangerous of the proposals is the misnamed balanced budget amendment to the Constitution. It's the granddaddy of false promises. It wouldn't require a balanced budget, just a three-fifths vote in both houses to pass an unbalanced one. It would empower minorities; anyone with an idea that could command the allegiance of 41 percent of either house could hold the government hostage. The theory is that such a system would somehow lead to leaner government. The effect would much more likely be the opposite.

There are lots of years when for economic or social reasons the government ought to run a deficit. To do so the party in power would have to win the support of 20 percent more members in each house than it does today. The president, or someone, would have to bargain with more stray members; who thinks that that would lead to an epidemic of self-denial? Last summer, when this president needed every Democratic vote, is a case in point. By all means reduce the deficit, the professed fiscal conservatives of the party came round to say one after the other, but surely not at the expense of * * * imposing an energy tax, increasing grazing fees, cutting farm support as much as the president proposed, taxing a larger share of Social Security benefits, cutting defense, cutting Medicare. The president had to deal for votes and then was condemned for dealing by some of the very people who threatened to withhold their votes until he dealt. Will they change the Constitution to bar that too?

In the House, meanwhile, some members now also are proposing what they describe as $103 billion in further spending cuts over the next five years. To lock some of these supposed savings in place, they would reduce the already tight appropriations caps that were set for the next several years in the budget. The problem is, they don't specify enough new cuts to get the caps down to the new levels they propose; instead they try to snatch some administration proposals that the president needs to get spending down to the existing caps. No fair; by one estimate, to get total spending down to the point they propose, they would have to list $70 billion more in specific cuts that they have. That's the opposite of a blank check; it's a blank cut. They would also preempt and pocket as "cuts" some health care savings that the president has proposed to use in financing health care reform.

This is no way to do the government's business. The amendment and proposed cuts both are ragged, slapdash policymaking that a lot of members think would do them some short-term political good. They would meanwhile do the country long-term substantive harm. The Democrats should beat them back.

[From the Washington Post, Oct. 20, 1993]

FAREWELL TO MAJORITY RULE

The Democratic Congress is about to take up legislation that would basically end the American system of majority rule. The Senate is tentatively scheduled to vote sometime in the next few weeks on a so-called balanced budget amendment to the Constitution. The sponsors of the simplistic and dangerous idea are said to be within a few votes of the two-thirds they need to send it to the House. A similar measure fell only nine votes short in the House last year, and opponents doubt that this time they could stave it off.

The misnamed amendment wouldn't so much balance the budget as it would destroy political accountability by creating minority control of both houses. The budget deficits of recent years have done the country enormous damage, but they have been the result of political, not constitutional, failings. Such deficits did not exist in earlier years, when politicians had the courage to vote no. The right way to reduce them is to approve the specific tax increases and spending cut that the goal of responsible policy requires.

This amendment would instead allow the members once again to postpone the very action that they pretend to take. They would go home having virtuously voted to balance the budget in the abstract and in the distant future, without ever having had to say how. They mortgage the future and trivialize the Constitution in order to preen before constituents without inflicting pain. The President should be the one to speak out against the travesty, educate the country against it and provide the nervous members who know better with the cover they need to vote no. His aides know the vote is coming; the Senate leadership is opposed to the amendment. But so far the White House, too, has gone to ground.

Mr. Clinton and the congressional Democrats took a larger step toward deficit reduction last summer than they have been given credit for—and perhaps as large a step as a recovering economy can withstand. Instead of defending their actions, they seek political purposes to give the impression of doing more than even they think wise. The amendment would not ban unbalanced budgets, just require three-fifths majorities of both houses to enact them or to raise the statutory ceiling on outstanding federal debt. The measure would also make it marginally harder to raise taxes than to cut spending.

The budget would no longer serve as an automatic economic stabilizer, wherein a recession creates a wider deficit and the deficit partly offsets and cures the recession in turn. The redistribution role of the government would also likely be reduced. Democrats, including those who are unaccountably sponsoring the amendment, can like neither of these likely results. But the worst is that 40 percent of either house would hold the country hostage, and you can bet not just on fiscal policy, either, but on everything that a budget can be made to contain. You heard it said, and rightly so, that the country in the last election traded gridlock for party responsibility. The amenders would trade us back to gridlock, and in the process compound precisely the weakness of government that they profess to deplore.

Mr. GLENN. Mr. President, I thank the distinguished floor manager of the bill. I say to my friend, PAUL SIMON, that I regret very much having to oppose his amendment. I know how seriously he takes this. He worked on it a long time. We worked on other things together. I am sorry I had to oppose him on this, but I just feel that we are on the right track now, and I think that a balanced budget amendment would lock us into a straightjacket that we would regret down the way. For that reason, I must oppose it at this time.

I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the able Senator from Ohio [Mr. GLENN] for his excellent statement.

I yield now 15 minutes to the distinguished Senator from Washington [Mrs. MURRAY].

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I thank the distinguished Senator from West Virginia.

Mr. President, I rise today despite the fact I have laryngitis, and it is hard to speak, I do speak loudly today in opposition to the balanced budget amendment.

The senior Senator from the State of Illinois knows how much I respect him and the great service he has given this country. He and I serve on the Budget Committee together, and he knows I agree with him more often than not on budgetary issues.

In fact, we both agree that the deficit must come down. We agree the Government has not been serious in the past about living within its means.

But, Mr. President, sometimes friends disagree. And, today we do.

Last year, the President sent to Congress a bold plan to reduce the Federal deficit. It reversed the course of the past 12 years of reckless borrow-and-spend policies. It took the deficit head on. And, it is working.

It is working, Mr. President, even better than the most wide-eyed economists thought possible. It is working because we made tough decisions to cut spending programs. It took courage, discipline, and common sense. And we need more of it this year, especially as we consider health care reform.

But the balanced budget amendment takes no courage, no discipline, and no common sense. It denies the Federal Government—in other words, the people of this country—the basic practice most businesses and families use across this country to stay strong and solvent. It denies us responsible investments in the future.

There has been lots of talk here already about the future. About how this amendment will help American children. But, this amendment is likely to damage the economy more than help our children. It will tie their hands. It will raise their taxes. It will cut Government spending to irresponsible levels.

It also teaches our children a dangerous lesson. Mr. President, there is nothing wrong with responsible borrowing. That is the backbone of our financial services industry. Saving and investing. After all, how many American families could afford to buy their homes without a mortgage? Or, send their children to colleges without a student loan? Maybe the majority in this Chamber, but only a small minority across the country.

This amendment destroys the American dream. It tells our kids, if they come from a family that can't afford to pay cash for a home, they shouldn't try. It reaches them that investment—even if that means borrowing for education—is not an option.

Congress should be setting an example by teaching our children how to be responsible borrowers. How to think about their future needs. How to invest wisely, how to plan and work to pay back their debts in a timely and organized manner. This amendment does not do that.

Mr. President, we all know words on a piece of paper cannot balance the budget. But legislators, like you and I and Senator SIMON, can. It is our job and responsibility to do so. I have money concerns about this proposal. The proponents of this amendment have not told us how they intend to balance the budget. Which taxes will they raise? Which programs will they cut?

Will the big States with more votes in the other body be able to dictate the national budget? Will they be able to protect their programs, while smaller States, like mine, will suffer?

I fear the cuts required to balance the budget will fall disproportionately on the smaller States. They will also fall squarely on the backs of the most vulnerable in our society—our children, our elderly, our disabled most in need of help. If Social Security were to be cut proportionately to reduce the deficit, the cost to our Nation's elderly would be significant. In my corner of the country, Social Security payments will be cut by $1,000 per person. The total loss in my State will amount to nearly $1 billion in 1999.

And, I fear the economists will be proven right. Those at Wharton predict Washington State will lose 209,000 jobs 2 years after this amendment takes effect. They predict my State will experience a 15-percent drop in total personal income. They tell me hardest hit will be the manufacturing sector—especially the aerospace industry—which is already experiencing massive job losses.

This amendment will add more political game-playing to the very serious business of forming a national budget. It will allow 40 percent of this body to bring our economy to a halt. The American people are fed up with gridlock. This amendment will only encourage it.

Instead of continuing the courage this body displayed by passing last year's budget, we would abdicate our responsibility to the court system.

This amendment will threaten us with a new power tool for lobbyists who will say: "If I do not get my way, I will challenge this budget in court." If the President and the Congress disagree on spending priorities and raising revenue, does that mean the court system will write our budget? Does it mean unelected jurists, accountable to no one, will wield incredible power?

And, does it mean lobbyists who roam these Halls on behalf of rich and powerful interests will win out over American families? The weakest among us will shoulder a disproportionate share of the impact of this amendment. How many children have you ever seen sue the Congress for more funding? How many elderly, or disabled?

So, Mr. President, before we talk about how much we are helping our children by passing this proposed constitutional amendment, let's think about what this amendments forces on our families, and the bad economic and political example it sets.

Reducing the deficit is one of the most important, and challenging goals we face as legislators. My grandparents fought a world war and survived the Great Depression because of this Nation's ability to invest when necessary. And, my family has ridden out nasty recessions, because we were able to borrow.

I do not want my grandchildren's hands tied. It is not fair to tell them—after we are long since gone—"you have no say in determining your future. Your grandparents have told you what you must do."

I believe in budgets which reflect tomorrow's economic needs, not today's political bargains.

That is why I oppose this amendment.

I yield the floor.

Mr. SIMON. Mr. President, I yield 10 minutes to the Senator from Alabama.

Mr. SHELBY. Mr. President, I hope that this will be the last time I must rise and urge my colleagues to support a balanced budget amendment to the U.S. Constitution.

Today, Mr. President, it is critical that this body realize the importance and necessity of a balanced budget amendment to this country's future fiscal and economic health. And it is a tough realization too, Mr. President, because, at base, it is a recognition—an admission—that Congress lacks the institutional ability and the political fortitude to address our pressing deficit and national debt problems.

In fact, Congress suffers from what is known as weakness of the will when it comes to spending taxpayers' money. And year after year, it becomes clearer and clearer that Congress is inherently incapable of foregoing Federal deficit spending. Look at the record.

Mr. President, today's call for a balanced budget amendment is but one of many previous attempts to erect external controls over Congress' ability to spend beyond its means.

From the Congressional Budget and Impoundment Control Act, to Gramm-Rudman-Hollings, to the Budget Enforcement Act—all of these deficit targets and discretionary spending caps and pay-as-you-go provisions were supposed to help rein in Federal spending and lower the deficit.

But, looking at our debt and deficit today, Mr. President, it is clear that these controls were not enough. It would appear that we require something more—something that Congress

cannot so easily ignore, waive, or amend.

Mr. President, that something is a balanced budget amendment to the U.S. Constitution—a constitutional mandate requiring the Congress to bring Federal spending in line with Federal revenues by the year 2001.

I have long been a supporter of such an amendment. In this Congress and in past Congresses, I have introduced legislation similar to that which we are considering today. I continue to believe that Congress requires such a constitutional requirement if we are ever to effectively combat our increasing debt and deficit problems.

While CBO's most recent projections show the deficit declining over the next few years, it predicts that the deficit will continue to climb steadily after 1997. This is attributed to continuing increases in spending for Medicare and Medicaid and expiring discretionary spending caps.

There is no question that the discretionary spending caps are somewhat effective in holding down our deficit, but for the most part, policymakers have looked to tax increases to lower the deficit rather than cutting the growth of Federal spending.

Over the next 5 years, Federal spending continues to not only exceed expected revenues, but continues to grow from about $1.5 to $1.8 trillion—about a $300 billion increase.

Even with a deficit at $176 billion for 1995, we still expect to pay close to $300 billion just on interest on the debt this year.

Why is that, Mr. President? It's because we continue to spend at a higher rate each year than we collect in revenues. Indeed, while caps and taxes may slow the growth of annual spending, they do not affect the fundamental cause of our problems—Congress' systemic inclination toward progressively higher Federal deficit spending.

Mr. President, a balanced budget amendment would give Congress the political fortitude and institutional ability it needs to close the ever-expanding black hole of Federal deficit spending.

It is surprising to me then that the administration is actively opposing this legislation. Over the past few weeks, the President has made it clear that he intends to work hard to defeat the passage of a balanced budget amendment.

In fact, according to the administration's position, while deficit reduction and debt reduction may be good reasons to raise taxes and finance more Federal spending—they are not sufficient reasons to justify a balanced budget amendment.

Mr. President, opponents are currently waging a full court press against the balanced budget amendment. Just last week the administration started floating around projected State-by-State impact analysis detailing the proposed effect the amendment would have on each State and the average taxpayer.

They threaten the taxpayer with new taxes, and the States with new burdens. Again, I ask, why is it that the taxpayer must always be called upon first to finance balancing the Federal Government's checkbook?

And I would also note that the projected costs to States would not be nearly so high if they were not burdened with excessive Federal mandates and regulations that we are all aware of. So, let us not lose sight of the big picture here, Mr. President.

Every year, without a balanced budget, it will cost the taxpayer in accumulated debt and interest. We cannot continue to accept annual deficits that run from about one-fifth to one-seventh of Federal spending nor can we continue to make interest payments on the national debt that exceed annual deficits.

Otherwise, if we do, an increasing share of our taxes, now about 14 cents on the dollar, will go to financing the debt, and it will go higher.

What that means is that interest payments will consume more and more of Federal spending, sacrificing many of the worthwhile and necessary programs that opponents cite now as a legitimate reason for defeating a balanced budget amendment.

Mr. President, this country desperately needs a balanced budget amendment. While the most expedient way to reduce the deficit may be to raise more taxes—as we can all recall from the tax bill last summer—I submit it is not the right way. A surer way, a more fiscally responsible way, is to cut back Federal spending until it is in line with Federal revenues.

Mr. President, this amendment will make it harder to raise taxes and harder to borrow more money, thus forcing Congress to face the tough choices necessary for long-term solutions to our debt and deficit problems.

Mr. President, a balanced budget amendment is not draconian, it will not ruin the economy and end democracy as we know it as the naysayers would have you believe. On the contrary, it will simply force Congress hand on taking control of Federal spending. Admittedly, the stakes will be high, because Congress will not just be breaking Federal law if it fails to meet the designated balanced budget date, but I say the stakes are already high and we cannot afford not to meet them today.

Mr. President, it is only a matter of time and courage. And the decision is really very simple, we can act now or be forced to act later.

Mr. President, I say we act now, and I urge my colleagues to join me in supporting Senator SIMON's balanced budget amendment.

I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from West Virginia controls 2 hours and 44 minutes, the Senator from Illinois controls 10 minutes, and the Senator from Utah controls 42 minutes.

Mr. BYRD. Mr. President, I will be happy to yield some of my time to the distinguished Senator from Illinois [Mr. SIMON] if he wishes. Otherwise, I do not plan to speak anymore today and I do not have any speakers for the rest of the day.

Mr. SIMON. Frankly, we have two Senators who have indicated they would like to speak, but I am sure they would be happy to speak tomorrow. I think both Senator SIMPSON and Senator DECONCINI indicated a desire to speak, but we are checking that.

I do not want to yield back all the time without checking to see if this is OK, but my instinct is that it would be OK because we are under no time constraints in terms of tomorrow or after that.

I see Senator HATCH here on the floor now. We are talking about the possibility of closing up for the evening. Senator SIMPSON and Senator DECONCINI indicated they would like to speak, but they could do that tomorrow or some other time.

Mr. HATCH. They sure could. I do not see any problem with doing that, if the distinguished Senator would like to do that.

Mr. SIMON. Mr. President, with that understanding, I yield back the remainder of my time.

Mr. HATCH. I am happy to yield back the remainder of my time.

Mr. BYRD. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

Mr. SIMON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak therein for not to exceed 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

BUDGET SCOREKEEPING REPORT

Mr. SASSER. Mr. President, I hereby submit to the Senate the budget

scorekeeping report prepared by the Congressional Budget Office under section 308(b) and in aid of section 311 of the Congressional Budget Act of 1974, as amended. This report meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32, the first concurrent resolution on the budget for 1986.

This report shows the effects of congressional action on the budget through February 11, 1994. The estimates of budget authority, outlays, and revenues, which are consistent with the technical and economic assumptions of the concurrent resolution on the budget, House Concurrent Resolution 287, show that current level spending is below the budget resolution by $4.4 billion in budget authority and $0.7 billion in outlays. Current level is $0.1 billion above the revenue floor in 1994 and below by $30.3 billion over the 5 years, 1994–98. The current estimate of the deficit for purposes of calculating the maximum deficit amount is $312.1 billion, $0.7 billion below the maximum deficit amount for 1994 of $312.8 billion.

Since the last report, dated January 27, 1994, Congress approved and the President signed H.R. 3759, making emergency supplemental appropriations for Los Angeles Earthquake Disaster Assistance and for Other Purposes (Public Law 103–211). These actions changed the current level of budget authority and outlays.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, February 22, 1994.

Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the 1994 budget and is current through February 11, 1994. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the Concurrent Resolution on the Budget (H. Con. Res. 64). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the Budget.

Since my last report, dated February 7, 1994, Congress approved and the President signed H.R. 3759, making emergency supplemental appropriations for Los Angeles earthquake disaster assistance and for other purposes (Public Law 103–211). These actions changed the current level of budget authority and outlays.

Sincerely,

ROBERT D. REISCHAUER.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, FISCAL YEAR 1994, 103D CONGRESS, 2D SESSION, AS OF CLOSE OF BUSINESS FEBRUARY 11, 1994

[In billions of dollars]

	Budget resolution (H. Con. Res. 64)[1]	Current level[2]	Current level over/under resolution
ON-BUDGET			
Budget authority	1,223.2	1,218.9	−4.4
Outlays	1,218.1	1,217.5	−0.7
Revenues:			
1994	905.3	905.4	0.1
1994–98	5,153.1	5,122.8	−30.3
Maximum deficit amount	312.8	312.1	−0.7
Debt subject to limit	4,731.9	4,448.1	−283.8
OFF-BUDGET			
Social Security outlays:			
1994	274.8	274.8	
1994–98	1,486.5	1,486.5	
Social Security revenues:			
1994	336.3	336.2	−1.1
1994–98	1,872.0	1,871.4	−0.6

[1] Reflects revised allocation under section 9(g) of H. Con. Res. 64 for the Deficit-Neutral reserve fund.

[2] Current level represents the estimated revenue and direct spending effects of all legislation that Congress has enacted or sent to the President for his approval. In addition, full-year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations even if the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

Note.—Detail may not add due to rounding.

THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE, 103D CONGRESS, 2D SESSION, SENATE SUPPORTING DETAIL FOR FISCAL YEAR 1994, AS OF CLOSE OF BUSINESS FEBRUARY 11, 1994

[In millions of dollars]

	Budget authority	Outlays	Revenues
ENACTED IN PREVIOUS SESSIONS			
Revenues			905,429
Permanents and other spending legislation[1]	721,182	694,713	
Appropriation legislation	742,749	758,885	
Offsetting receipts	(237,226)	(237,226)	
Total previously enacted	1,226,705	1,216,372	905,429
ENACTED THIS SESSION			
Emergency Supplemental Appropriations, fiscal year 1994 (Public Law 102–211)	(2,286)	(248)	
ENTITLEMENTS AND MANDATORIES			
Budget resolution baseline estimates of appropriated entitlements and other mandatory programs not yet enacted[2]	(5,562)	1,326	
Total current level[3 4]	1,218,857	1,217,451	905,429
Total budget resolution	1,223,249	1,218,149	905,349
Amount remaining:			
Under budget resolution	4,392	698	
Over budget resolution			80

[1] Includes budget committee estimate of $2.4 billion in outlay savings for FCC spectrum license fees.

[2] Includes changes to baseline estimates of appropriated mandatories due to enactment of Public Law 103–66.

[3] In accordance with the Budget Enforcement Act, the total does not include $13,308 million in budget authority and $8,596 million in outlays in emergency funding.

[4] At the request of committee staff, current level does not include scoring of section 601 of Public Law 102–391.

Note.—Numbers in parentheses are negative. Detail may not add due to rounding.

THE ACHIEVEMENTS OF BONNIE BLAIR

Ms. MOSELEY-BRAUN. Mr. President, I would like to take this opportunity to congratulate Bonnie Blair—an exceptional woman from my home State of Illinois who became the most decorated woman in U.S. Olympic history today by winning her sixth Olympic medal.

Bonnie Blair surpassed the ranks of swimmer Janet Evans, sprinter Evelyn Ashford, and diver Pat McCormick by winning the gold in both the 500 meter speed skating event on February 19, and in the 1,000 meter event today at the 16th Olympic winter games being held in Lillehammer, Norway.

On skates since the age of 2, Ms. Blair's life has been an exercise in perseverance, determination, dedication, and achievement.

When no company would endorse her, Ms. Blair went door to door in her hometown of Champaign, IL, asking for donations to help finance her Olympic dreams.

With the support of her family and community, Ms. Blair has set American records in both the 1,000 and 1,500 meter speed skating events and a world record in the 500 meter event.

Mr. President, Bonnie Blair has exemplified the spirit of sportsmanship as a representative of the United States in the last four winter Olympics.

She has met her victories as well as her defeats with grace and integrity.

At a time when the Olympic games have been overshadowed by controversy, Ms. Blair has risen to the ideals of the Olympic games.

In fact, Ms. Blair has become a role model for our Nation's youth by volunteering with the national committee of the Leukemia Society of America and the Women's Sports Foundation and by showing them that they can succeed if they follow their passions and strive to do their best.

We in Illinois thank Bonnie for giving her time, her energy, and her talent to her country.

We are proud that she is one of our own and we wish her the best.

THE DEATH OF MARY LASKER

Mr. PELL. Mr. President, with great personal sadness, I rise to honor the memory of an outstanding woman, a champion of medical research, and a friend. Mary Lasker, who died Monday at the age of 93, was a person of deep commitment, intelligence, and compassion. She devoted her adult life to bettering the world in a myriad of ways, ranging from preventing disease to promoting beauty.

Mary Lasker's influence on the life of this Nation began very early. A graduate of Radcliffe College, she never forgot a childhood filled with illness and the early loss of her parents to disease. She developed a passion for promoting medical research, and she had far more than concern and passion to devote to her cause. Mary had a clear, level-headed way of thinking, and knew how to approach people—including Senators and Presidents. Her advice was invaluable, her encouragement undaunting,

and her followthrough impeccable. If Mary said she wanted to work on funding a particular project, she simply did not give up until it happened.

Her winning attitude and genuinely noble goals were only part of what made Mary so effective. Mary had the good fortune of being able to lend financial support to her dreams, and did so with a generosity that is rare and unstinting.

Perhaps the single most important thing that Mary did was to make the Nation—and the world—confront the existence and the reality of cancer. It has been widely reported that in the forties, when no one acknowledged cancer, Mary persuaded the Radio Corp. of America to say the word "cancer" on the air. And she did not give up then. I remember well how hard Mary worked to pass the National Cancer Act of 1971, and to establish and fund the National Cancer Institute. Through her private philanthrophy, she was the mother of the organization that would become the American Cancer Society, and was its honorary president at the time of her death.

Mary's commitment to promoting medical research extended far beyond cancer, however. She helped persuade Congress that the Federal Government must help finance medical research at a time when such research was generally funded privately. She devoted much time and energy to promoting and funding the National Institutes of Health, which helped it become the preeminent medical research institution in the world, and she was involved in creating the NIH Institutes that study heart disease, mental health, and arthritis. Mary and her husband Albert created the prestigious Albert Lasker Medical Research Awards, which are given annually—51 of these awardees have gone on to receive the Nobel Prize.

I would add that I had the pleasure of knowing Mary Lasker and the privilege of working with her on a number of pieces of health care legislation which she supported. And I can fully attest to her intensity, her perseverance, and her strong will. In fact, she played a very real role in my decision to run and helped me immensely in that regard.

Mary's interest and influence extended beyond the area of science and medical research and into the arts and environment. She was an avid art collector and a trustee of the John F. Kennedy Center for the Performing Arts and the Museum of Modern Art in New York, and a past president of the Society for a More Beautiful Capitol. For this last achievement, Mary may be best remembered in the spring, when the million daffodils she helped purchase bloom along Washington, DC, streets and parkways, planted as part of Lady Bird Johnsion's beautification program. Mary made similar improvements in New York City, hoping to bring beauty to inner city urban areas. In 1985, in recognition of her beautification efforts, a new variety of tulip was named for her.

Mary Lasker's achievements were acknowledged by a grateful Nation on many occasions. In 1969, she was awarded the Presidential Medal of Freedom, the highest civilian award of the U.S. Government. And in 1989, she was awarded a Congressional Gold Medal, the highest award that the Congress can give.

Mr. President, as the Senate sponsor of the 1987 legislation which resulted in Mary Lasker's Congressional Gold Medal, I am deeply aware of her innumerable contributions during a full, productive and immensely good life. We will miss her deeply and hope that her memory will serve to inspire us to go forward to make her many dreams a reality.

SOCIAL SECURITY DISABILITY AND REHABILITATION ACT OF 1994

Mrs. KASSEBAUM. Mr. President, I am pleased to cosponsor legislation aimed at reforming the Social Security disability payment system for disabled substance abusers. This initiative, introduced by Senator COHEN, addresses the problem of recipients using their disability payments to finance their addictions and, in the process, to worsen their disability.

I support all provisions of the bill, especially important provisions expanding to Social Security disability income [SSDI] the current supplemental security income [SSI] mandatory treatment and representative payee requirements. To improve accountability for the proper use of disability funds, a representative payee would be a licensed agency or comparable facility. Representative payees would no longer be a friend or relative of the recipient, as such persons, in the past, have channeled payments directly to the recipient for purchase of drugs and alcohol.

In addition, beneficiaries would no longer receive a lump-sum retroactive payment. Rather, this money would be placed in a managed trust to protect the individual from using it to acquire drugs or alcohol. Finally, the Social Security Administration would be required to expand the number of referral monitoring agencies so that each State is able to monitor the appropriate distribution of disability funds and the recipient's compliance with treatment.

I am pleased that Senator COHEN has incorporated two suggestions I put forward to secure adequate treatment. Perhaps most important is that treatment priority be given to those disabled by addiction. Such treatment would be provided through the Federal Substance Abuse Block Grant Program. Additionally, individuals would receive treatment in private facilities using their existing Medicaid entitlements where feasible. I believe it is important to give priority to substance abusers who receive benefits so that they can be restored to functional capacity as quickly as possible and thereby reduce drain on the SSA disability system.

Also included is a revision of the certification procedure for disabled substance abusers. Currently, recipients may collect payments indefinitely because their disability status often is never reviewed. Under this provision, these individuals would have to reapply for disability every 2 years, which corresponds to the average treatment period. Last, those disabled by substance addiction would receive SSI and SSDI payments for a cumulative total of 3 years, during which period they would be expected to be under treatment. After 3 years, recipients who have not responded to treatment could qualify for continued care and benefits if they were diagnosed with a different mental illness.

I am aware that the block grant system does not have adequate treatment capacity at this time. Although this legislation does not create treatment slots, it does initiate a process to ensure eventual treatment. Individuals would be enrolled in treatment or be on a treatment waiting list as a condition of receiving disability benefits.

Mr. President, reforming SSI and SSDI payment systems is vital to the needs of individuals disabled by addiction. Guaranteeing the appropriate use of benefits, while assuring that needed treatment is sought, is key if individuals are to work toward overcoming their disability.

I welcome any suggestions my colleagues or others may have for improving these proposals.

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD at this point:)

VIRGINIA CAVALIERS: TRUE CHAMPIONS

• Mr. WARNER. Mr. President, on December 3, 1993, the University of Virginia Soccer team defeated Princeton University by a score of 3–1, thereby earning the opportunity to advance to the NCAA championship game 2 days later. On December 5, the Cavaliers defeated the South Carolina Gamecocks 2–0, to win the 1993 NCAA national championship in men's soccer.

This achievement is noteworthy on its own account; but it is even more remarkable because, with this victory, the Virginia Cavaliers became the only team in NCAA history to win three consecutive NCAA national titles.

On Friday, February 25, Senator WARNER and Senator ROBB of Virginia, along with Senator REID of Nevada, will recognize this team's achievement with a special reception in its honor at

the U.S. Capitol. Later in the day, President Clinton and Vice President Gore will also meet with the team in a special ceremony at the Old Executive Office Building.

Head Coach Bruce Arena, completing his 16th season at Virginia, has produced an outstanding career record of 252–54–29, for a .796 percent winning percentage. He and his staff—assistant coach George Gelnovatch, graduate assistant coach Bob Willen, undergraduate assistant coach Erik Imler, trainer Sue Foreman, and managers Carmen Hubbard, Felice Frederick, and Sam Islam—are to be commended for their dedication and hard work.

The team members also deserve recognition and commendation, and their names are to be included in the RECORD where they will become a permanent part of our Nation's history:

Player, Position, Hometown:

Jeff Causey, Goalkeeper, Gainesville, VA.

Tom Henske, Goalkeeper, E. Northport, NY.

Taylor Barada, Goalkeeper, Durham, NC.

Mark Peters, Goalkeeper, Winchester, VA.

Scott Hodge, Goalkeeper, Oakton, VA.

Claudio Reyna, Midfielder, Springfield, NJ.

Mike Slivinski, Forward/Midfielder, St. Charles, MO.

Nate Friends, Forward/Defender, Vienna, VA.

Mike Fisher, Midfielder, Batavia, IL.

Damian Silvera, Midfielder, Huntington, NY.

Tain Nix, Midfielder, Fairfax, VA.

A. J. Wood, Forward, Rockville, MD.

Brian Bates, Defender/Midfielder, Woodbridge, VA.

Brandon Pollard, Defender, Richmond, VA.

Sean Feary, Midfielder/Defender, Fairfax Station, VA.

Key Reid, Midfielder, Searchlight, NV.

Steve Johnson, Forward/Defender, Lexington, KY.

David Fitzmaurice, Midfielder, Wyckoff, NJ.

Clint Peay, Defender, Columbia, MD.

David Cox, Defender, Midlothian, VA.

Tom Baker, Defender/Midfielder, Plymouth, MI.

Bruno Menezes, Defender/Midfielder, Dunn Loring, VA.

Chris Lake, Midfielder/Defender, Trenton, NJ.

Ryan Borst, Midfielder/Defender, Ridgefield, CT.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 2:17 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2455. An Act to help local school systems achieve Goal Six of the National Education Goals, which provides that by the year 2000, every school in America will be free of drugs and violence and will offer a disciplined environment conducive to learning, by ensuring that all schools are safe and free of violence.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 180. Concurrent resolution expressing the sense of the Congress with respect to the South Pacific region.

MEASURES REFERRED

The following concurrent resolution was read by unanimous consent, and referred as indicated:

H. Con. Res. 180. Concurrent resolution expressing the sense of the Congress with respect to the South Pacific region; to the Committee on Foreign Relations.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 2455. An act to help local school systems achieve Goal Six of the National Education Goals, which provides that by the year 2000, every school in America will be free of drugs and violence and will offer a disciplined environment conducive to learning, by ensuring that all schools are safe and free of violence.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–2211. A communication from the President of the United States, transmitting, pursuant to law, the report of a review of the continued requirement for draft registration; to the Committee on Armed Services.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–367. A joint resolution adopted by the Legislature of the State of California; to the Committee on Agriculture, Nutrition and Forestry.

"ASSEMBLY JOINT RESOLUTION NO. 36

"Whereas, the discovery of a virulent species of whitefly that attacks most crops, continued outbreaks of Mediterranean and Mexican fruit flies in many parts of the state, extensive damage to graperoot stock by phylloxera, and the imminent arrival of Africanized honey bees join a growing list of pests and diseases that threaten the long-term health and economic vitality of California agriculture; and

"Whereas, farmers in California and across the United States are faced with the wholesale loss of many of the synthetic pesticides and chemicals that they have relied upon for control and eradication of pests; and

"Whereas, recent studies of available pest management alternatives conducted by the University of California and others reveal that economically viable and environmentally compatible alternatives are not yet available for many pesticides and chemicals; and

"Whereas, insect and microbial pests are showing increased resistance to many of the compounds which remain on the market; and

"Whereas, research into promising new pest management technologies and strategies has met with some success over the past decade, most notably in the areas of integrated pest management, biological control, and bioengineering; however, nothing short of a major expansion and acceleration of research focusing on long-range solutions is required; and

"Whereas, California agriculture is not only in danger of losing the ongoing battle against pests with subsequent reductions in the quality of food and fiber produced, but could see access to many foreign markets closed or severely restricted with significant negative impacts to the state's economy; and

"Whereas, the Conference Report from the United States House and Senate Agricultural Appropriations Subcommittees for the 1991 fiscal year, in response to the challenges cited above, directed the United States Department of Agriculture (USDA) to conduct a study of alternative pest management containment and quarantine facility needs in California; and

"Whereas, a USDA facility study panel visited the Davis and Riverside campuses of the University of California in June 1991 and concluded their report with the recommendation that construction of these facilities 'could have a significant [positive] impact on U.S. agriculture'; and

"Whereas, the University of California, in cooperation with the USDA, the Department of Food and Agriculture, commodity groups, and other interested parties, is proposing the construction of modern, environmentally secure, alternative pest management containment and quarantine facilities at the Riverside and Davis campuses; and

"Whereas, these modern containment and quarantine facilities, once operational, would support a comprehensive, integrated program designed to draw upon the breadth of university, state, and federal expertise within California and the nation; and

"Whereas, construction of the proposed facilities would provide significant, long-term benefits to growers, ranchers, environmentalists, and consumers as a result of research leading to reduced applications of pesticides and other chemicals and acceptance and expanded use of biological control agents, genetically engineered organisms, and other 'cutting-edge' technologies; and

"Whereas, the research conducted in these facilities would be in accordance with the agricultural pest quarantine regulations and restrictions enforced by the Department of Food and Agriculture and the USDA; and

"Whereas, these facilities would conduct research that serves the interests of agri-

culture in California as its foremost purpose; and

"Whereas, the combined resources of this federal-state partnership would permit a focused, mission-oriented research program on a scale not otherwise possible; and

"Whereas, this federal-state partnership for agricultural research has led to significant breakthroughs and advances over the past century to the benefit of every American consumer; and

"Whereas, this research also has helped build an export industry that generates billions of dollars annually in net income to the economy of the United States; and

"Whereas, the Congress already has provided funding in the USDA-Cooperative State Research Service budget for the 1992 and 1993 fiscal years for predesign work associated with the proposed facilities at the Davis and Riverside campuses; and

"Whereas, this funding has been matched by the University of California; now, therefore, be it

"*Resolved by the Assembly and the Senate of the State of California, jointly,*

"That the Congress and the President of the United States are respectfully memorialized to support the construction of modern, state-of-the-art, alternative pest management containment and quarantine facilities in California; and be it further

"*Resolved,* That, beginning in the 1994 fiscal year, the Congress provide construction funds on a cost-share basis with the State of California for a 21,400 assignable square foot laboratory and support facility at the University of California, Riverside, to accelerate research leading to the development of biological and other natural controls for the whitefly and other pests; and be it further

"*Resolved,* beginning in the 1994 fiscal year, the Congress provide construction funds on a cost-share basis with the State of California for a 40,000 assignable square foot containment and quarantine facility at the University of California, Davis, that will support research into environmentally compatible pest management strategies, including biological control, bioengineering, genetically altered organisms, and other promising biotechnology applications; and be it further

"*Resolved,* That Congress appropriate adequate funds, beginning in the 1994 fiscal year, to allow construction to be sequenced, with the biological control laboratory at Riverside proposed for completion by the 1996 fiscal year and the biological control, biotechnology, and bioengineering containment facility at Davis proposed for completion during the 1997 fiscal year; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Majority Leader of the United States Senate, and to the United States Secretary of Agriculture."

POM-368. A joint resolution adopted by the Legislature of the State of California; to the Committee on Armed Services.

"ASSEMBLY JOINT RESOLUTION NO. 53

"Whereas, the Norton Air Force Base in San Bernardino, California, is on the United States Base Closure and Realignment Commission's list of military bases recommended for closure; and

"Whereas, the closing of Norton Air Force base may result in a devastating loss of more than 9,000 jobs in the San Bernardino area; and

"Whereas, in September 1993, the Department of Defense will name a limited number of new Defense Finance and Accounting Service centers to be located throughout the country; and

"Whereas, as the "accounting firm" for the Department of Defense, the Defense Finance and Accounting Service has taken over responsibility of installation-level accounting and reporting for all general funds, the Defense Business Operations Fund, revolving funds, trust funds, accounts payable, accounts receivable, billings, debt management, cash accounting, funds authentication, and certain managerial accounting functions; and

"Whereas, the Norton Air Force Base site is ideally suited for the location of a Defense Finance and Accounting Service center; and

"Whereas, the existing Norton Air Force Base infrastructure could easily be adapted for Defense Finance and Accounting Service center use; and

"Whereas, a Defense Finance and Accounting Service center at Norton Air Force Base would provide highly cost-effective service and support of Department of Defense activities on the West Coast and Hawaii; and

"Whereas, preliminary studies indicate that a minimal expense of approximately $4 million would be required to establish a Defense Finance and Accounting Service center at Norton Air Force Base and that this initial startup cost would be offset by reduced severance payouts; and

"Whereas, with a Defense Finance and Accounting Service center at Norton Air Force Base serving as an "anchor" tenant and employing between 3,000 and 4,000 people, its siting would begin the prompt conversion of Norton Air Force Base prior to operational closure; and

"Whereas, a Defense Finance and Accounting Service center at Norton Air Force Base would have the added benefit of encouraging other new businesses to locate there; and

"Whereas, Norton Air Force Base was the only California military facility considered earlier this year as one of 20 finalists for the selection of a new Defense Finance and Accounting Service center; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,*

"That the Legislature of the State of California respectfully memorialize the President and Congress of the United States and the Secretary of the Department of Defense to designate the Norton Air Force Base as a location for a Defense Finance and Accounting Service center; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Secretary of the United States Department of Defense."

POM-369. A resolution adopted by the Board of Commissioners of the Town of North Redington Beach, Florida relative to the National Flood Insurance Program; to the Committee on Banking, Housing and Urban Affairs.

POM-370. A resolution adopted by the Board of Commissioners of Madison County, Tennessee relative to Interstate 69; to the Committee on Environment and Public Works.

POM-371. A resolution adopted by the Senate of the Legislature of the State of Tennessee; to the Committee on Environment and Public Works.

"PROCLAMATION

"Whereas, the General Assembly believes that the underdeveloped area of West Tennessee outside the metropolitan areas of Jackson and Memphis suffers from the lack of a major North-South transportation corridor; and

"Whereas, the collective annual average unemployment rate for this area was 43.8 percent above the national unemployment rate for 1980 through 1990; and

"Whereas, the unemployment rate for minorities, which make up almost one-fourth of the population of the area, was 50 percent higher than the national average in 1990; and

"Whereas, the population of this area declined by more than 3 percent from 1980 to 1990 due primarily to lack of employment opportunities; and

"Whereas, 16 percent of families and 22 percent of children are below the poverty level; and

"Whereas, the per capita income in the area is 30 percent below the national level; and

"Whereas, this currently underdeveloped area in West Tennessee shows strong potential for economic growth and development, being strategically located within 500 miles of 76 percent of the nation's major markets; and

"Whereas, the Interstate 69 extension, a high priority corridor of the U.S. Department of Transportation, could provide a means for this area to develop to its potential by providing a North-South transportation route; now, therefore,

"I, Lieutenant Governor John S. Wilder, Speaker of the Senate of the 98th General Assembly, at the request of and in conjunction with Senator Joe Nip McKnight, do hereby respectfully request that the route of the proposed Interstate 69 extension from Indianapolis to Houston pass through the underdeveloped area of West Tennessee."

POM-372. A resolution adopted by the House of the Legislature of the State of Tennessee; to the Committee on Environment and Public Works.

PROCLAMATION

"Whereas, the House of Representatives of the Ninety-Eighth General Assembly passed House Joint Resolution 200 and the Senate of the Ninety-Eighth General Assembly passed Senate Joint Resolution 167, both of which dealt with the route of the proposed Interstate 69 extension; and

"Whereas, the General Assembly believes that the underdeveloped area of West Tennessee outside the metropolitan areas of Jackson and Memphis suffers from the lack of a major North-South transportation corridor; and

"Whereas, the collective annual average unemployment rate for this area was forty-three and eight-tenths percent (43.8%) above the national unemployment rate for 1980 through 1990;

"Whereas, the unemployment rate for minorities, which make up almost one-fourth (1/4) of the population of the area, was fifty percent (50%) higher than the national average in 1990; and

"Whereas, the population of this area declined by more than three percent (3%) from 1980 to 1990 due primarily to lack of employment opportunities; and

"Whereas, sixteen percent (16%) of families and twenty-two percent (22%) of children are below the poverty level; and

"Whereas, the per capita income in the area is thirty percent (30%) below the national level; and

"Whereas, this currently underdeveloped area in West Tennessee shows strong potential for economic growth and development, being strategically located within five hundred (500) miles of seventy-six percent (76%) of the nation's major markets; and

"Whereas, the Interstate 69 extension, a high priority corridor of the U.S. Department of Transportation, could provide a means for this area to develop to its potential by providing a North-South transportation route; now, therefore,

"I, Jimmy Naifeh, Speaker of the House of Representatives of the Ninety-Eighth General Assembly of the State of Tennessee, at the request of and in conjunction with Representative Matt Kisber, do hereby proclaim and respectfully request that the route of the proposed Interstate 69 extension from Indianapolis to Houston pass through the underdeveloped area of West Tennessee."

POM-373. A joint resolution adopted by the Legislature of the State of California; to the Committee on Environment and Public Works.

"ASSEMBLY JOINT RESOLUTION NO. 47

"Whereas, H.R. 2853 has been introduced in the United States Congress to create the San Gabriel Basin Demonstration Project to improve the quality of groundwater in the San Gabriel Basin; and

"Whereas, the San Gabriel Basin presents a unique set of environmental problems; the San Gabriel Valley is a 195 square mile area located approximately 10 to 20 miles northeast of downtown Los Angeles in Los Angeles County; and it is the home of 1,000,000 to 1,500,000 people who rely on the groundwater of the basin for their primary drinking water; and

"Whereas, the San Gabriel Basin is the most heavily contaminated potable groundwater basin in the United States; and

"Whereas, the groundwater in the San Gabriel Basin is heavily contaminated with toxic volatile organic compounds (VOCs), including trichloroethylene (TCE), perchloroethylene (PCE), and carbon tetrachloride (CTC); four separate areas of contamination in the San Gabriel Basin are listed on the National Priority List (NPL) of the Superfund; and the areas where the VOC contamination exceeds drinking water standards cover approximately 30 to 40 square miles; and

"Whereas, the VOCs in the San Gabriel Basin have been generated by hundreds of commercial and industrial facilities, scattered throughout the San Gabriel Valley, over a period of more than 30 years; and

"Whereas, the San Gabriel Basin is also heavily contaminated with nitrates from over a century and a half of agriculture and ranching in the valley as well as from industrial and residential septic systems; and

"Whereas, once contaminated, groundwater is very difficult to clean up and a plume of polluted groundwater will migrate and spread contaminants wherever it flows; and

"Whereas, forty-five different water purveyors take water from the basin; and because the groundwater flows under hundreds of different facilities, apportioning responsibility could be a very complicated and litigious process; and

"Whereas, there are approximately 275 public water supply wells in the San Gabriel Basin; and 80 wells have contamination levels exceeding current federal drinking water standards; and

"Whereas, the San Gabriel Basin Demonstration Project would enable the Environmental Protection Agency (EPA), in cooperation with the Main San Gabriel Basin Water Quality Authority, and in consultation with all local water agencies in the San Gabriel and Central Basins, to clean up the groundwater of the San Gabriel Basin; specified facilities would be encouraged to contract with the EPA to pay their share of the cleanup costs; and those facilities that contracted the EPA and fulfilled their obligations would be exempted from Superfund liability

"Whereas, the San Gabriel Basin Demonstration Project presents a unique opportunity for the community to solve a difficult problem by working together with the federal government in a public-private partnership; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly*, That the Legislature of the State of California memorializes the President and Congress of the United States to enact H.R. 2853; and be it further

"*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Governor of California."

POM-374. A resolution adopted by the Commission of the City of Miami, Florida relative to Taiwan; to the Committee on Foreign Relations.

POM-375. A resolution adopted by the Senate of the Commonwealth of Pennsylvania relative to Bosnia, Hercegovina; to the Committee on Foreign Relations.

POM-376. A resolution adopted by the National Institute of Municipal Law Officers relative to violent crime; to the Committee on the Judiciary.

POM-377. A resolution adopted by the Senate of the State of West Virginia; to the Committee on the Judiciary.

"SENATE RESOLUTION NO. 16

"Whereas, legal injustice and discrimination on the basis of gender have long existed; and

"Whereas, efforts to defeat final ratification of the Equal Rights Amendment were aided in great measure by an insensitivity to the essential injustice long suffered by the woman of this country because of established discrimination on the basis of gender; and

"Whereas, the citizens of West Virginia clearly support an end to discrimination on the basis of gender through an amendment to the Constitution of this nation, as the United States has previously renounced slavery, racial discrimination and denial of the right to vote on the basis of race or gender; and

"Whereas, in 1972, Congress proposed a federal Equal Rights Amendment to the United States Constitution to provide for equality of the law regardless of gender, which was narrowly defeated in 1982; and

"Whereas, the West Virginia Senate prefers that each state ratify the federal Equal Rights Amendment to achieve a uniform national policy; and

"Whereas, the Equal Rights Amendment provide that gender should not be a factor in determining the legal rights of men and women and thereby recognizes the fundamental dignity, individuality and worth of each human being; and

"Whereas, the West Virginia Senate again stands ready to ratify a federal Equal Rights Amendment when approved by Congress for state ratification; therefore,

"*Be It Resolved by the Senate:*

"That the Senate of the state of West Virginia respectfully requests the President and the Congress of the United States to propose to the several states an amendment to the Constitution of the United States stating that all men and women are equal under the law; and, be it

"*Further Resolved*, That the Clerk is hereby directed to forward a copy to the President and Vice President of the United States, to the Speaker of the House of Representatives and to each Senator and Representative from West Virginia in the Congress of the United States."

REPORTS OF COMMITTEE

The following reports of committee were submitted:

By Mr. LEAHY, from the Committee on Agriculture, Nutrition, and Forestry:

Report to accompany the bill (S. 994) to authorize the establishment of a fresh cut flowers and fresh cut greens promotion and consumer information program for the benefit of the floricultural industry and other persons, and for other purposes. (Rept. No. 103-229.)

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources:

Greta Joy Dicus, of Arkansas, to be a member of the Board of Directors of the United States Enrichment Corporation for a term of 1 year (New position);

Margaret Hornbeck Greene, of Kentucky, to be a member of the Board of Directors of the United States Enrichment Corporation for a term of 4 years (New position);

Kneeland C. Youngblood, of Texas, to be a member of the Board of Directors of the United States Enrichment Corporation for a term of 3 years (New position);

Frank G. Zarb, of New York, to be a member of the Board of Directors of the United States Enrichment Corporation for a term of 2 years (New position);

William J. Rainer, of Connecticut, to be a member of the Board of Directors of the United States Enrichment Corporation for a term of 5 years (New position);

Gorton P. Eaton, of Ohio, to be Director of the United States Geological Survey; and

Robert Jay Uram, of California, to be Director of the Office of Surface Mining Reclamation and Enforcement.

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

Frederick L. Feinstein, of Maryland, to be General Counsel of the National Labor Relations Board for a term of 4 years.

Bernard E. Anderson, of Pennsylvania, to be an Assistant Secretary of Labor.

Charles I. Cohen, of Maryland, to be a member of the National Labor Relations Board for the term of 5 years expiring August 27, 1996.

Margaret A. Browning, of Pennsylvania, to be a member of the National Labor Relations Board for the remainder of the term expiring December 16, 1997.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to re-

quests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DODD (for himself, Mr. LIEBERMAN, Mr. MITCHELL, Mr. DOLE, Mr. KENNEDY, Mr. RIEGLE, Mr. D'AMATO, Mr. SARBANES, Mr. BOND, Mr. SASSER, Mr. DOMENICI, Mr. KERRY, Mr. LUGAR, Mr. SIMON, Mr. STEVENS, Mr. MACK, Mr. FAIRCLOTH, Mr. BURNS, Mr. BROWN, Mr. DURENBERGER, Mr. THURMOND, and Mr. MURKOWSKI):

S. 1860. A bill to authorize the minting of coins to commemorate the 1995 Special Olympics World Games; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CHAFEE:

S. 1861. A bill to suspend temporarily the duty on certain pigments; to the Committee on Finance.

By Mr. McCONNELL:

S. 1862. A bill to repeal the public financing of and spending limits on Presidential election campaigns; to the Committee on Rules and Administration.

By Mr. COHEN (for himself, Mr. DOLE, Mrs. KASSEBAUM, Mr. KOHL, Mr. LUGAR, Mr. THURMOND, Mr. GRASSLEY, Mr. WARNER, Mr. DOMENICI, Mr. CHAFEE, Mr. BENNETT, and Mr. STEVENS):

S. 1863. A bill to amend title II of the Social Security Act to institute certain reforms relating to the provision of disability insurance benefits based on substance abuse and relating to representative payees, and for other purposes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. D'AMATO:

S. Res. 182. A resolution entitled "A Call for Humanitarian Assistance to the Pontian Greeks"; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DODD (for himself, Mr. LIEBERMAN, Mr. MITCHELL, Mr. DOLE, Mr. KENNEDY, Mr. RIEGLE, Mr. D'AMATO, Mr. SARBANES, Mr. BOND, Mr. SASSER, Mr. DOMENICI, Mr. KERRY, Mr. LUGAR, Mr. SIMON, Mr. MACK, Mr. FAIRCLOTH, Mr. BURNS, Mr. BROWN, Mr. DURENBERGER, Mr. THURMOND, Mr. MURKOWSKI, and Mr. STEVENS):

S. 1860. A bill to authorize the minting of coins to commemorate the 1995 Special Olympics World Games; to the Committee on Banking, Housing, and Urban Affairs.

1995 SPECIAL OLYMPICS WORLD GAMES COMMEMORATIVE COIN ACT

Mr. DODD. Mr. President, many of us over these last 10 days have been transfixed, spellbound—you could use a variety of different adjectives to describe our wonderment—at the performance of athletes around the world as they compete in Lillehammer in Norway, watching the winter Olympics. This evening I suspect millions of Americans and others around the world will be watching the figure skating for a variety of reasons, not necessarily because they wish to watch figure skating, but we have all been moved by the competition of our athletes.

We are impressed with those who compete but not necessarily who are able to win a medal at the winter Olympics. We will have a wonderful event in Atlanta, GA, when the world comes to the United States to compete in the summer Olympics in 1996.

It is that spirit, I suppose, of striving, the tremendous dedication, the work, the desire that moves all of us to watch these young people from around the globe spend 2 weeks with each other in the spirit of the Olympic games. We learned that this spirit of striving can be equally noble, whether it leads to a gold medal or even a last-place finish. In fact, sometimes we are moved more just by the effort of an individual rather than the particular moment of glory and victory.

Mr. President, I am very proud to tell my colleagues that next year, Connecticut will host a similar exhibition of the human spirit. These are the world summer games of the Special Olympics. It is in honor of this event that I am today introducing the 1995 Special Olympics World Games Commemorative Coin Act.

Twenty-five years ago, Mr. President, Eunice Kennedy Shriver had a vision, one person had a vision of an international sports organization for people with mental retardation. She envisioned an event that would bring joy and pride developed from competition to those the world believed could not compete at all.

Today, the Special Olympics has become one of the largest and most successful sports and volunteer organizations in the world. Nearly 1 million Special Olympics athletes from ages 8 to 80 train and compete year round. Every 4 years, thousands of these athletes gather for the world summer games. I am proud to report, Mr. President, that from 14 cities worldwide, New Haven, CT, was selected to host the Ninth Special Olympics World Games. The entire State of Connecticut is now gearing up for those games. Our good friend and former colleague, Governor Lowell Weicker, serves as the chairman of the 1995 Special Olympics World Games Organizing Committee.

In July 1995, almost 7,000 athletes from every State in the Union and from 125 nations from around the world will travel to Connecticut to compete. An expected half million spectators will gather to witness this exciting and inspiring event.

The bill I am introducing today would authorize 800,000 limited-edition $1 silver coins which will be emblematic of the 1995 Special Olympics World Games. Funds raised through the sale of the coins will support the Special Olympics. That is the purpose of this effort.

This bill will not cost the Federal Government one single dime. All the costs will be borne by the sale of those coins.

Mr. President, over the years since Eunice Kennedy Shriver began these games, if we have seen them ourselves, which I have had the pleasure of doing, in watching a child who is a special child, either with a physical or mental handicap, striving in a road race, a running race, a jumping contest, the look on that child's face in being embraced and hugged by others, having achieved something that they did not think was possible, that they would even be able to compete, I do not believe anybody who witnessed such an event has not been moved by it. All of us, whether we know anyone, or a family that has suffered the problems of mental retardation, are moved by the human spirit when it achieves and reaches for something they believe may have been beyond their reach or grasp.

And so as we watch these wonderful Olympics on our television screens in these closing days, the incredible athletes from around the world who are gathered in Lillehammer, we should remind ourselves as well that there will be a very special Olympics in this country next year of children from around the world, from 125 nations, who may lack the mental ability or physical ability to compete in the Atlanta or Lillehammer games, but nonetheless are just as noble in the eyes of God as any other child competing anywhere else in any other kind of Olympics.

This coin will be a nobility, or a way in which all of us can express our support for that effort, to support these young people, to support their families, to support the Committee for the Special Olympics.

And so I am pleased to offer this legislation and to as well announce the cosponsorship, of which we have many, of about 14 or 15 Senators of this legislation.

Twenty-five years ago, Eunice Kennedy Shriver had a vision of an international sports organization for people with mental retardation, one that would bring the joy and pride developed through competition to those the world believed could not compete.

Today, Special Olympics has become one of the largest and most successful

sports and volunteer organizations in the world. Nearly 1 million Special Olympics athletes, from ages 8 to 80, train and compete year round for the love of sport, the thrill of accomplishment, and for some, the chance to compete in the quadrennial world summer games.

Mr. President, I am extraordinarily proud to report that from 14 cities worldwide, New Haven, CT, was selected to host the Ninth Special Olympics World Games. Accordingly, in July 1995, 6,700 athletes from every State in the Union and from 125 nations around the world will travel to Connecticut to demonstrate that they have the desire, courage, and the skills to compete in world class competition.

The half-million spectators who come to watch will enjoy one of the most exciting and inspiring experiences of a lifetime. They will see outstanding athletic competition in the true Olympic spirit.

The bill I am introducing today would authorize the issuance of 800,000 limited-edition $1 silver coins, which will be emblematic of the 1995 Special Olympic World Games. Funds raised through the sale of the coins will be used to provide a world class sporting event for athletes with mental retardation and to demonstrate to a global audience the extraordinary talents, dedication, and courage of persons with mental retardation.

I am joined today by a number of our colleagues who enthusiastically support the Special Olympics movement. President Clinton is equally supportive of the 1995 Special Olympics World Games, and he recently agreed to honor this world class sporting event by serving as its honorary chairman.

My good friend and former colleague, Governor Lowell Weicker, serves as the chairman of the 1995 Special Olympics World Games Organizing Committee in Connecticut.

It is estimated that the games will attract a half-million spectators, 45,000 volunteers, and 1,500 representatives from national and international media. Tens of millions of people will view the worldwide television coverage of this event.

The opening ceremonies alone will probably have an audience of 90,000 persons and be televised on a major network. We are estimating that several heads of state and First Ladies, as well as 20 to 30 Ambassadors will be present when President Clinton officially opens the games.

The excitement and splendor of these games will extend well beyond the competition on the field. The worlds of science, diplomacy, art, culture, and entertainment will unite in a celebration of the spirit of Special Olympics and achievements of persons with mental retardation.

The games organizing committee has begun collaborating with the United Nations and with leading scholars at Yale University to ensure that the message of these games is heard and studied by the world's leading policymakers, educators, and scientists. Their plans call for an international symposium at the United Nations focusing on the policy and programming issues facing people with mental retardation all over the world.

Mr. President, an event of this magnitude requires substantial organization and planning. It also needs significant financial resources. The cost-neutral bill that I am introducing today would raise up to $8 million to help underwrite the cost of staging the 1995 Special Olympics World Games.

The thousands of athletes who train for years to experience the excitement of international athletic competition deserve the opportunity to travel to New Haven for the change of a lifetime. The funds raised by the issuance of the coin authorized in this bill will help ensure that their dreams come true.

The coins issued pursuant to this bill would be subject to the provisions of section 5134 of title 31, United States Code, relating to the newly established numismatic public enterprise fund. The legislation explicitly stipulates that the minting and issuance of the coins authorized in this bill shall not result in any cost to the Federal Government.

Mr. President, I understand that in recent years there has been some question about the success of commemorative coins in the marketplace, so let me say a brief word about the 1995 Special Olympics World Games commemorative coin offering. First, our bill proposes a relatively small issue of a single coin. Second, the traditional marketplace of 2 million devoted coin collectors will be significantly expanded for this coin.

The Special Olympics movement is worldwide in scope. There are nearly 1 million Special Olympics athletes worldwide and nearly 450,000 in the United States alone. There are more than 1 million family members in the United States who are actively involved with Special Olympics; that number increases to 2 million active families worldwide. There are more than 500,000 Special Olympics volunteers and 250,000 coaches worldwide.

Families, volunteers, and supporters of the Special Olympics movement provide a tremendous market for consumer products advertised in connection with the 1995 games, including the first-ever Special Olympics coin.

Moreover, the 1995 Special Olympics World Games Organizing Committee has developed an aggressive marketing plan that will utilize the Special Olympics chapter structure in every State and in more than 120 countries around the world. Ads will be run during the network and cable broadcast coverage of the event, and the coins would be made available to the hundreds of thousands of Special Olympics supporters who attend the Games.

I remind my colleagues that Special Olympics is a movement that represents 190 million people with mental retardation worldwide, so I am confident that there is a market for these coins.

Mr. President, I invite every Member of the Senate to share the sport, spirit, splendor of the 1995 Special Olympics World Games. I urge every one of my colleagues to support this legislation.

Mr. DOLE. Mr. President, I am pleased to join with Senator DODD in sponsoring this bill which authorizes the minting of coins to commemorate the 1995 Special Olympics World Games. Although the sales of these coins will provide important financial support for the Special Olympics, they have a much larger significance. In the past, the Treasury has issued coins for the Olympics and the World Cup, but this will be the first time for an international sports event featuring disabled athletes.

In my view, these coins are more evidence we live in a new age of disability. In 1990, Congress passed the Americans With Disabilities Act, determined to base our national disability policy on the principles of equal opportunity and full participation. Last July, to extend these principles to American foreign policy, I introduced, with strong bipartisan support, a bill which recognized for the first time that discrimination against the disabled is a human rights violation.

Mr. President, the Special Olympics helped forge this new age. As Sarge Shriver, chairman of the Special Olympics, wrote to me recently, "for 10,000 years persons with mental retardation have been hidden in jails or cooped up in institutions, or in some countries actually killed. In 1968 a private philanthropic movement was started by an American woman, and since then life for the 280 million human beings with mental retardation have been changed forever." Let me note that woman was, of course, Eunice Kennedy Shriver, Sarge's wife.

I am a longtime supporter of the Special Olympics. In June 1974 I spoke on the Senate floor about the Kansas Special Olympic Games, which I had just attended. And on July 1, 1995, I hope to join the 6,700 athletes with mental retardation from 125 countries, the special olympics team from Kansas, and 70,000 other spectators at the opening ceremonies of the 1995 Special Olympics at the Yale Bowl.

Mr. President, in closing let me note that there will be no net cost to the Government in minting these coins, lest anyone think we are forgetting our fiscal responsibilities. I urge my colleagues to join with me in supporting this bill.

Mr. LIEBERMAN. Mr. President, I am very pleased to cosponsor the 1995

Special Olympics World Games Commemorative Coin Act. Beginning on July 1, 1995, my home town of New Haven, CT, will have the privilege and the honor of hosting the 1995 summer games. This legislation, introduced by Senator DODD here in the Senate and by Congresswoman DELAURO in the House, is an excellent way to help raise funds for the event.

The Special Olympics provide an extraordinary opportunity for athletes with mental disabilities from around the globe to come together and share in the spirit and rewards of athletic competition. All over the world Special Olympics athletes compete year round in Special Olympics competitions. These events help disabled individuals strive to realize their full potential, and gain the sense of enjoyment and self-worth that comes from doing one's best.

Those athletes that reach the quadrennial world summer games will have the privilege of competing in a world class competition. Organizers of the summer games expect the event to involve 6,700 athletes from over 120 countries, as well as 2,000 coaches, 15,000 families and friends, 45,000 volunteers, and half a million spectators. Tens of millions of people are expected to view television coverage of the games.

The potential benefits of the event are immeasurable. As we know from the winter Olympics now underway in Norway, Olympic competition benefits not only the athletes but all of those who participate. The dedication, courage, and spirit demonstrated by the Special Olympic athletes help break down the stigma and stereotypes associated with mental illness and remind all of us how important it is to build a society where individuals can live up to their full potential.

This bill will authorize the issuance of 800,000 limited edition $1 silver coins bearing the Special Olympics emblem. Money raised through the sale of these coins will help fund the 1995 Special Olympic World Games. The coins will pay for themselves, so that the bill will not impose a net cost on the Federal Government.

I am pleased that President Clinton is the honorary chairman of the games, and that Connecticut Governor Lowell Weicker is chairing the games organizing committee in Connecticut. I commend Governor Weicker for his commitment to the games, and I look forward to working with him and with Senator DODD, Congresswoman DELAURO, and with our colleagues in Congress to help make the 1995 Special Olympic World Summer Games an event all Americans can participate in and be proud of.

By Mr. CHAFEE:

S. 1861. A bill to suspend temporarily the duty on certain pigments; to the Committee on Finance.

DUTY SUSPENSION LEGISLATION

Mr. CHAFEE. Mr. President, today I am introducing legislation to grant temporary duty suspensions for the importation of several chemical products.

These products are colorants that are used in the coating, ink, and plastic industries; and they are particularly important because they are used to replace colorants that use heavy metals such as lead and cadmium.

Duty is placed on foreign products in order to prevent harm to U.S. companies producing the same product. However, in this case, none of the colorants in question is produced in the United States. That means that the granting of these duty suspensions should not affect any domestic chemical industry.

That also means that these particular duties serve solely as an added cost to those U.S. companies who need the products and must purchase them from foreign firms. We have one such company in my State, and it employs some 850 persons in a town with a population of just 31,000, making it the major employer. In this difficult economic time, the significant cost of these duties cannot be passed on to the company's customers. That means the company, faced with losing customers or cutting back internally, has no choice but to cut back to the bone internally. This kind of cost reduction effort inevitably threatens jobs.

Enactment of these duty suspensions will ensure that our domestic coating, ink, and plastics industry compete fairly with foreign competitors. Our foreign competitors do not have to pay the extra costs imposed by these duties. By paying these duties, our industry is placed at a competitive disadvantage.

The bill I am introducing today would grant duty suspensions through December 31, 1998. It is my hope that Congress soon will move to enact comprehensive duty suspension legislation that will include these provisions.

I ask unanimous consent that the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1861

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TEMPORARY DUTY SUSPENSION FOR CERTAIN PIGMENTS.

(A) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new headings:

"9902.32.11	Hostaperm Yellow H4G (CAS No. 031837–42–); Pigment Yellow 151) (provided for in subheading 3204.17.50)	Free	No charge	No change	On or before 12/31/98
99021.32.12	PV Fast Yellow H3R (CAS No. 074441–05–7; Pigment Yellow 181) (provided for in subheading 3204.17.30)	Free	No change	No change	On or berore 12/31/98
9902.32.13	Hostaperm Yellow H3G (CAS No. 068134–22–5; Pigment Yellow 154) (provided for in subheading 3204.17.30)	Free	No change	No change	On or before 12/31/98
9902.32.14	Hostaperm Yellow H6G (CAS No. 035636–63–6; Pigment Yellow 175) (provided for in subheading 3204.17.30)	Free	No change	No change	On or before 12/31/98
9902.32.15	PV Fast Yellow HG (CAS No. 077804–81–0; Pigment Yellow 180) (provided for in subheading 3204.17.30)	Free	No change	No change	On or before 12/31/98
9902.32.16	PV Fast Yellow HGR (CAS No. 129423–54–7; Pigment Yellow 191) (provided for in subheading 3204.17.30)	Free	No change	No change	On or before 12/31/98
9902.32.17	PV Fast Red HF4B (CAS No. 059487–23–9; Pigment Red 187) (provided for in subheading 3204.17.30)	Free	No change	No change	On or before 12/31/98
9902.32.18	PV Red HG (CAS No. 043035–18–3; Pigment Red 247) (provided for in subheading 3204.17.30)	Free	No change	No change	On or before 12/31/98
9902.32.19	PV Red HB (CAS No. 043035–18–3; Pigment Red 247) (provided for in subheading 3204.17.30)	Free	No change	No change	On or before 12/31/98
9902.32.20	PV Fast Orange H4G–L (CAS No. 078245–94–0; Pigment Orange 72) (provided for in subheading 3204.17.30)	Free	No change	No change	On or before 12/31/98
9902.32.21	Permanent Yellow NCG–71 (CAS No. 005979–28–2; Pigment Yellow 16) (provided for in subheading 3204.17.10)	Free	No change	No change	On or before 12/31/98
9902.32.22	PV Carmine HF4C (CAS No. 051920–12–8; Pigment Red 185) (provided for in subheading 3204.17.10)	Free	No change	No change	On or before 12/31/98
9902.32.23	Novoperm Red HF28–01 (CAS No. 031778–10–6; Pigment Red 208) (provided for in subheading 3204.17.10)	Free	No change	No change	On or before 12/31/98

9902.32.24 Novoperm Red HF3S (CAS No. 061847-48-1; Pigment Red 188) (provided for in subheading 3204.17.10)	Free	No change	No change	On or before 12/31/98
9902.32.25 Novoperm Red HF3S-70 (CAS No. 061847-48-1; Pigment Red 188) (provided for in subheading 3204.17.10)	Free	No change	No change	On or before 12/31/98".

(b) EFFECTIVE DATE.—The amendment made by this section applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

By Mr. MCCONNELL:

S. 1862. A bill to repeal the public financing of and spending limits on Presidential election campaigns; to the Committee on Rules and Administration.

TAXPAYER-FUNDED PRESIDENTIAL CAMPAIGN SYSTEM REPEAL ACT

• Mr. MCCONNELL. Mr. President, there is an annual poll on the Presidential system of taxpayer-funded spending limits called "the checkoff." In 1992, the checkoff rate was just over 17 percent, continuing the nose dive that has marked it since soon after its inception. The vast majority of the American people choose not to divert $1 from the Treasury to prop up the Presidential system.

Five elections and three-quarters of a billion dollars later, the fund is nearly bankrupt.

Before the Senate Rules Committee in recent years, one nonpartisan witness after another has testified that the Presidential system of spending limits doesn't work as advertised. It limits neither spending nor special interests.

We have, in the current Presidential system, an expensive failure that Americans do not choose to support with taxes they have already paid. The Presidential system is a massive fraud that most Americans are not falling for anymore.

Taxpayer dollars that have been pumped into the Presidential system have not replaced special interests—they have merely augmented them. Spending has not been limited in the Presidential system—it has gone underground into "sewer" soft money.

The Presidential Election Campaign Fund and the system it props up is a disaster, riddled with special interest soft money—off the books, unlimited and undisclosed.

Virtually every reputable scholar who has studied the issue believes the Presidential system is a disaster. Among the most notable of these scholars is Michael Malbin of the Rockefeller Institute of Government who testified before the Senate Rules Committee in 1991:

> In every presidential election since public funding, spending has gone up—with more and more of the money going off the books and underground. If people care enough about an election, they will look for ways to get involved. If they are big and well organized, and cannot contribute directly, then they will look at independent expenditures. Or delegate committees. Or registration and get-out-the-vote. Or communicating with members. Or buying issue ads that publicize the position of an incumbent without directly advocating election or defeat. Or dozens of devices—some of which have not even been thought up.
>
> Off-the-book activities like these have become more prominent in every election since 1976. Some of them can be regulated, but there is no way they can all be eliminated without running roughshod over the First Amendment. More importantly, all of these devices favor the well organized and the powerful over smaller participants. What the limits seem to be doing, in other words, is encouraging the powerful to engage in subterfuge and legal gamesmanship. It is giving them an incentive to increase their influence in ways that are poorly disclosed. As a cure for cynicism or corruption, this seems bizarre.

Mr. President, what is really bizarre is forcing taxpayers to pay for a proven disaster and proposing to expand it to include congressional races.

The Baltimore Sun published an editorial a couple of years ago reflecting taxpayer disdain for the fund, later reprinted in the Lexington, KY, Herald-Leader:

> The overwhelming majority of taxpayers think campaign subsidies are a bad idea, period. More think so every year.
>
> The public's support for public financing can be measured by the percentage of 1040 forms filed each year with $1 or $2 checked off for the presidential campaign fund. This is not an extra dollar or two of taxes, just an earmarking. It costs the filer nothing. Yet the percentage of those checking off has fallen every year since 1980 * * *
>
> Why has public support declined? Perhaps because the public is learning that this subsidy has supplemented rather than replaced special interest money.

Mr. President, it is often said that regardless of what the objective scholars say, despite the clear rejection of the checkoff by our constituents, Americans actually support public funding in exchange for spending limits Many Senators want taxpayers to pay for all congressional campaigns as well.

Yet over 80 percent of taxpayers choose not to check off $1 from taxes already paid to go to the Presidential system. My constituents have resoundingly rejected the Presidential system of taxpayer financing. Only 10 percent of Kentuckians check off for that mess, to allocate $1 from taxes already paid.

Mr. President, that's not a poll. That's reality.

There is no outpouring of support among Kentuckians, or residents of any other State, for an entitlement program to pay for congressional campaigns. They are instead screaming out that they do not want their tax dollars paying for anyone's campaign. Not ours. Not the President's. Not David Duke's. Not Lenora Fulani's. Not anybody's.

And certainly not a campaign that Lyndon LaRouche ran from his prison cell. Yet, Mr. LaRouche soon will receive Federal matching funds for the Presidential campaign he conducted while serving a 15-year sentence for fraud.

The taxpayer-funded Presidential system is a failed government program. Reformers had a dream in the 1970s which the Federal Election Campaign Act transformed into reality. A reality that has now turned into the taxpayers' nightmare. The fund's supporters had a utopian vision of a system cleansed of special interests, where money was not a concern for candidates. That was their dream two decades ago.

Time to stop dreaming, Mr. president. Time to wake up. The Presidential system is a disaster, taxpayers cannot afford it and they certainly do not support it.

Taxpayers sure are not clamoring for a taxpayer-financed congressional system. They do not want to pay for David Duke to further his agenda. They do not want to pay for Lenora Fulani to further her agenda. They do not want their tax dollars used to pay for furthering anyone's agenda.

Voters are telling us that it is time we furthered the taxpayers' agenda. Our first spending cut should be to end a politicians' entitlement program—the taxpayer-funded Presidential system.

To add a little historical perspective to this issue, let me add the following interesting footnote: former House Speaker Jim Wright made the following comment to a colleague who was opposed to the Presidential Fund during the debate over its creation in 1974: "Congress could repeal this law if it did not work out as we intend, at any time in the future."

Mr. President, it has been nearly 20 years since that debate. The Presidential Election Campaign Fund has failed. The legislation I am introducing would end it.•

By Mr. COHEN (for himself, Mr. DOLE, Mrs. KASSEBAUM, Mr. KOHL, Mr. LUGAR, Mr. THURMOND, Mr. GRASSLEY, Mr. WARNER, Mr. DOMENICI, Mr. CHAFEE, Mr. BENNETT, and Mr. STEVENS):

S. 1863. A bill to amend title II of the Social Security Act to institute certain reforms relating to the provision of disability insurance benefits based on substance abuse and relating to representative payees, and for other purposes; to the Committee on Finance.

THE SOCIAL SECURITY DISABILITY AND REHABILITATION REFORM ACT OF 1994

• Mr. COHEN. Mr. President, today I am joining with Senators DOLE, KASSEBAUM, KOHL, LUGAR, THURMOND, GRASSLEY, WARNER, DOMENICI, CHAFEE, BENNETT, and STEVENS in introducing legislation to stop the flow of millions of Federal dollars into the hands of illegal drug users, many of whom simply turn around and use the money to buy more drugs.

By reforming the Social Security disability programs, our legislation will encourage treatment for substance abusers, get tough on those who manipulate the system, and send the strong message that the Federal Government will no longer be handing out blank checks to drug dealers and addicts, and others who are not seriously trying to help themselves when rehabilitation is possible.

Under current law, drug addicts and alcoholics are eligible for supplemental security income [SSI] and Social Security disability [SSDI] benefits if they are not able to work and if their disability is expected to last more than 1 year.

Although the current law places conditions on drug addicts and alcoholics who receive benefits, a year-long investigation conducted by the minority staff of the Senate Special Committee on Aging and the General Accounting Office found that the current disability system is totally out of control. The laxity in the system not only wastes valuable tax dollars, but also undermines our war on violent crime and drug abuse and endangers the substance abusers themselves by giving them more money to fuel their addictions.

Currently, substance abusers are eligible for SSI benefits only if they receive appropriate treatment for their substance abuse, if treatment is available. Also, their benefits are supposed to be paid to a third party to protect the money from abuse.

Our investigation found, however, that these rules are rarely followed. Instead, the word on the street is that the Social Security disability programs are an easy source of cash for drugs and alcohol, and that once the Government checks start flowing, the Government hardly ever checks up to see if the addict is going to treatment—or to be sure that the benefits are not being used to buy more drugs.

The bottom line is that addicts are actually seeking out the disability programs to get money for their additions.

If Willie Sutton was alive today, in addition to robbing banks, the probably would be tempted to apply for Social Security disability benefits—because that's where the money is.

The size of the problem is staggering. According to the GAO, at least 250,000 drug addicts and alcoholics are now receiving over $1.4 billion in cash benefits from the SSI and the Social Security disability insurance programs. However, only about 78,000 of these recipients—or less than one-third—are now required by the Social Security Administration to receive treatment for their addictions or to have someone else collect their checks on their behalf.

This means that no one is-watching over $1.1 billion in SSI and disability benefits being paid each year to over 170,000 drug addicts and alcoholics. No treatment is required and no guardian for the benefits is appointed. Instead, the cash benefits are freely available to feed their addictions.

The picture gets worse. Of the 78,000 substance abusers who are supposed to be watched by the SSA to be sure they are under tight controls, less than 10 percent were known by the Social Security Administration to be in treatment.

In other words, only about 3 percent of all drug addicts and alcoholics on the disability rolls are known to be in treatment for their substance abuse. The Federal Government does not have a clue whether the rest are in treatment or not—or where these dollars are going.

What is clear, however, is that tax dollars are being used to support illegal drug habits. Earlier this month, for example, a drug bust in Williamsport, PA netted at least 28 packets of cocaine, a cutting agent for mixing cocaine—and direct deposit receipts from Social Security disability checks. According to the local district attorney, two of the three suspects allegedly had been receiving Social Security benefits for their drug addictions, but were not in any treatment program.

The Federal Government's performance in this program has been disgraceful. Through last year, for example, the Social Security Administration had established programs to monitor treatment requirements for substance abuse recipients in only 18 States. While steps are now underway by the Social Security Administration to monitor addicts in many more States, these actions are long overdue.

Further, we found that some lump sum benefits—in some cases over $20,000—are being paid to drug addicts and alcoholics, many of whom are spending the money on drugs or alcohol, resulting in dangerous consequences, or even death, to the claimants. Even when the benefits are paid to a third party, this money often finds its way back into the hands of the addicts—and into the local bar or drug houses.

For example, an SSI applicant was found to be disabled on the basis of his drug addiction, and then died of a lethal drug overdose purchased with his lump sum benefits from SSA.

Another addict used his $19,000 lump sum benefit check to buy cocaine.

We have even found cases where the Federal Government is awarding disability benefits to drug addicts even when it knows first hand that the addict is dealing drugs or engaging in other criminal activity to sustain his or her habit.

To sum it up, the message of our disability program is:

Show us that you are a severe drug addict and the Government will pay you.

As long as you continue to shoot up or drink, the money keeps coming.

Then, even if you tell us that you are breaking the law to get your drugs, we'll still pay you.

And finally, once we start the checks, they will probably never stop coming.

At the same time that we are losing the war against violent crime and drug abuse, this is an outrageous message for the Federal Government to send.

Tragically, these lax policies not only drain the Federal Treasury, but also are detrimental to substance abusers themselves by rewarding addiction, and by discouraging and failing to provide necessary treatment.

Psychiatrists and drug abuse counselors have told us that the laxity in the current system violates the basic rules of drug and alcohol treatment: Never give cash to an addict, because it is like giving him or her the key to the medicine cabinet.

Studies show that giving cash to an addict greatly undermines treatment. For example, visits to a methadone treatment program dropped off sharply directly after the drug addicts received their disability checks. Other drug abuse treatment experts have told us that drug induced psychosis cases often increase at the end of the first week of the month, and that requests for treatment drop off during the first few days of the month. It is no coincidence that this is the same time that the SSI and disability checks arrive in the mail.

It is crucial that we fix this system which has run amok.

The legislation we are introducing today will go far in stopping the cash from flowing into the pockets of drug dealers and into the veins of drug addicts.

Specifically, the bill requires that any individual who receives disability benefits under the SSDI and SSI programs on the basis of substance abuse must undergo appropriate treatment for substance abuse if it is available; comply with the terms of treatment; and receive benefits through a qualified representative payee.

The bill sets up a strict disability review process for those who disability is based on substance abuse. Upon completion of first year of treatment the SSA will be required to review the case for continued disability and compliance with treatment requirements. If an individual fails to comply with treatment, benefits will be suspended.

At the end of 2 years of treatment, the individual is again reviewed. If substance abuse is no longer a basis for disability, no additional treatment is required.

In no event will disability payments be made on the basis of substance abuse for more than a cumulative period of 3 years. This termination will not affect any person receiving SSI/SSDI benefits made on the basis of other nonsubstance abuse medical impairments.

To address the need for more treatment of hard core addicts, the bill gives high priority to SSI and disability insurance substance abusers in programs supported through the substance abuse block grant.

To stop abuses in the payment of benefits to third parties, the bill requires representatives payees for substance abuse recipients to be Government agencies or other facilities, which will not be subject to coercion by the substance abuser.

The bill also requires that any lump sum benefit payable to a substance abusers in SSI and SSDI must be paid to a representative payee.

We also require the Secretary of Health and Human Services to designate an agency to refer and monitor treatment of individuals who receive benefits on the basis of substance abuse for each State within 1 year of enactment.

The bill further requires that any proceeds derived from criminal activity to support substance abuse shall be considered substantial gainful activity, thereby making that individual ineligible for benefits.

Finally, the bill includes tough measures to stop the manipulation of the disability program by addicts and others who want to cash in on the disability system. Specifically, the bill toughens penalties for fraudulent statements or misrepresentations made by applicants or recipients to obtain SSI or SSDI benefits, or by others who assist in such fraudulent acts. The Secretary of HHS is also given authority to exclude from all HHS health and disability programs any person who defrauds the disability system in order to receive or help someone else receive benefits.

Far from abandoning substance abusers, this proposal stresses treatment and rehabilitation, while closing the loopholes in the disability system which now invite abuse.

If we are serious about reducing illegal drug abuse and reforming our welfare system, we cannot ignore these wasteful, counterproductive practices in our Social Security disability system. Fighting crime is hard enough without supplying the other side with money for their drugs.

The proposal we are introducing today is an important step toward reforming the disability process into a system that encourages rehabilitation for those who can and should recover from their addictions, rather than providing a lifelong—and life threatening—source of cash for drugs.●

ADDITIONAL COSPONSORS

S. 359

At the request of Mr. DECONCINI, the name of the Senator from Colorado [Mr. BROWN] was added as a cosponsor of S. 359, a bill to require the Secretary of Treasury to mint coins in commemoration of the National Law Enforcement Officers Memorial, and for other purposes.

S. 455

At the request of Mr. HATFIELD, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Nevada [Mr. REID], and the Senator from New Hampshire [Mr. GREGG] were added as cosponsors of S. 455, a bill to amend title 31, United States Code, to increase Federal payments to units of general local government for entitlement lands, and for other purposes.

S. 984

At the request of Mr. SIMON, the name of the Senator from Wisconsin [Mr. FEINGOLD] was added as a cosponsor of S. 984, a bill to prevent abuses of electronic monitoring in the workplace, and for other purposes.

S. 1040

At the request of Mr. BINGAMAN, the names of the Senator from Maryland [Ms. MIKULSKI] and the Senator from Maryland [Mr. SARBANES] were added as cosponsors of S. 1040, a bill to support systemic improvement of education and the development of a technologically literate citizenry and internationally competitive work force by establishing a comprehensive system through which appropriate technology-enhanced curriculum, instruction, and administrative support resources and services, that support the National Education Goals and any national education standards that may be developed, are provided to schools throughout the United States.

S. 1677

At the request of Mr. HATFIELD, the names of the Senator from North Dakota [Mr. DORGAN], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of S. 1677, a bill to prohibit United States military assistance and arms transfers to foreign governments that are undemocratic, do not adequately protect human rights, are engaged in acts of armed aggression, or are not fully participating in the United Nations Register of Conventional Arms.

S. 1690

At the request of Mr. DANFORTH, the names of the Senator from Mississippi [Mr. COCHRAN] and the Senator from Minnesota [Mr. DURENBERGER] were added as cosponsors of S. 1690, a bill to amend the Internal Revenue Code of 1986 to reform the rules regarding subchapter S corporations.

S. 1802

At the request of Mr. HOLLINGS, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 1802, a bill for the relief of Johnson Chestnut Whittaker.

S. 1848

At the request of Mr. DANFORTH, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 1848, a bill to provide for disclosure of the bumper impact capability of certain passenger motor vehicles and to require a 5-mile-per-hour bumper standard for such vehicles.

SENATE JOINT RESOLUTION 151

At the request of Mr. LIEBERMAN, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of Senate Joint Resolution 151, a joint resolution designating the week of April 10 through 16, 1994, as "Primary Immune Deficiency Awareness Week."

SENATE RESOLUTION 35

At the request of Mr. LAUTENBERG, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Senate Resolution 35, a resolution expressing the sense of the Senate concerning systematic rape in the conflict in the former Socialist Federal Republic of Yugoslavia.

SENATE RESOLUTION 182—RELATIVE TO THE PONTIAN GREEKS

Mr. D'AMATO submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 182

Whereas the Pontian Greeks originally settled in northern Turkey in the late 19th and early 20th centuries to escape the ravages of war and since then have found themselves alternately both discriminated against as well as innocent victims of brutal wars;

Whereas the Pontian Greeks have been subject to severe discrimination and torture since the early 1900's due to their ethnic and cultural identity;

Whereas the Pontian Greeks have historically been denied their right to develop their own culture and study their history, first under the Ottoman Empire and later while under the Soviet Empire;

Whereas the Pontian Greeks are, in part, descendants of Greeks who were uprooted and forcibly resettled in Georgia in the 1930's by Stalin during collectivization drives out of fear of divided loyalties;

Whereas this population of 15,000 is now cut off from supply lines and distribution networks by both winter storms and a brutal civil war of a year-and-a-half;

Whereas both the battle-scarred Greek settlements and their refugee camps are located in the center of this savage war;

Whereas existing supplies are rapidly eroding, leaving Greeks on the brink of starvation and forced to endure a long winter without clothing, medicine, water, or electricity;

Whereas the remaining supplies of this small minority are subject to widespread looting;

Whereas many Greeks are forced to undertake a dangerous sealift in order to emigrate to Greece out of a desperate attempt to escape this dire situation;

Whereas the Pontian Greeks face certain death without outside assistance: Now, therefore, be it

Resolved that the United States should take the lead in organizing international humanitarian efforts to aid this destitute population.

Mr. D'AMATO. Mr. President, I rise today to call attention to the desperate plight of the Pontian Greeks stranded in the Republic of Georgia.

The Pontian Greeks, stranded in the ravaged Republic of Georgia, have long been the victim of oppressive empires. The Pontians were the frequent targets of state discrimination and torture while they lived under the Ottoman Empire. Their lot did not improve once they were taken into the Soviet Empire where many became the innocent victims of Stalin's brutal collectivization drives. Stalin, fearing their lack of loyalty to the Soviet Union, forced these proud people into far off regions, depriving them of liberty.

Some Pontian Greeks originally emigrated to the Crimea in the late 19th century to avoid a state of almost continuous warfare, involving Turkey, Greece, and later Russia. Ironically, today the Pontian Greeks once again find themselves caught in the middle of the ravages of war in the strife-torn Republic of Georgia. Their refugee camps are located in the center of the civil war, leaving many women and children in the path of the destruction.

To worsen this desperate plight, the onslaught of severe winter storms has worked to compound the problems of this starving people. The supply lines and distribution networks to this population of 15,000 Greeks have been cut-off, leaving the people with rapidly eroding supplies that are frequently the subject of looting. In attempts at mere survival, the Pontians are struggling to endure a long, bitter winter with little food, clothing, medicine, water, or electricity.

These brave people, left destitute and subjected to starvation, are being left to die. Occasionally they attempt to make a long sealift back to their Greek homeland. This arduous journey is not without peril, and Greece is struggling to assist in this exodus. Despite recent airlifts to aid the Pontians, the threat to them has not receded and the effort must be continued.

Make no mistake about it, many of the Pontian Greeks will not survive this long winter without outside assistance. Because of this, I am calling on the United States to take the lead in humanitarian efforts in order to insure that a sufficient quantity of supplies arrives quickly enough to save this starving population. The United States must recognize the desperate situation of our Greek friends who have been innocent victims of both brutal wars and regimes for far too long.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 1:45 p.m. on Wednesday, February 23, 1994, in closed session, to receive a briefing on Bosnia and other current military operations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, February 23, beginning at 10 a.m. to conduct a markup on the committee print of the interstate banking and branching bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to conduct a hearing on S. 1822, the Communications Act of 1994, on February 23, 1994, beginning at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., February 23, 1994, to consider pending nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be authorized to meet during the session of the Senate on Wednesday, February 23, to consider the Graham substitute amendment to S. 1114, the Water Pollution Prevention and Control Act of 1994.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:45 a.m., February 23, 1994, to receive testimony on the Department of Energy's fiscal year 1995 budget request.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet today at 10 a.m. to hear testimony from OMB Director Leon Panetta on the subject of the administration's budget proposals.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations, be authorized to meet during the session of the Senate on Wednesday, February 23, 1994, at 10:15 a.m. to hold a hearing with Secretary of State Christopher regarding a foreign policy overview and budgetary resources.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BAUCUS. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee for authority to meet on Wednesday, February 23, for a hearing on the legislation: H.R. 3400, Government Reform and Savings Act, at 10 a.m., in SD–342 Dirksen.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet on Wednesday, February 23, at 2 p.m. for a hearing on the nomination of Rafael Diaz, to be Associate Judge, Superior Court of the District of Columbia.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet on February 23, 1994, at 9:15 a.m., for an executive session to consider S. 1040, the Technology for Education Act of 1993; S. 1020, the Workers Technology Skill Development Act; and the nominations of Bernard E. Anderson to be Assistant Secretary for Employment Standards at the Department of Labor; Margaret A. Browning to be a member of the National Labor Relations Board; Charles I. Cohen to be a member of the National Labor Relations Board; and Frederick L. Feinstein to be general counsel of the National Labor Relations Board.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. BAUCUS. Mr. President, The Committee on Veterans' Affairs would like to request unanimous consent to hold an oversight hearing on programs and services for homeless veterans at 10 a.m. on Wednesday, February 23, 1994. The hearing will be held in room 418 of the Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SUBCOMMITTEE ON COALITION DEFENSE AND REINFORCING FORCES

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Subcommittee on Coalition Defense and Reinforcing Forces of the Committee on Armed Services and the Subcommittee on European Affairs of the Committee on Foreign Relations be authorized to meet on Wednesday, February 23, 1994, at 2 p.m., in open session to continue to receive testimony on the future of NATO.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EUROPEAN AFFAIRS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Subcommittee on European Affairs of the Committee on Foreign Relations, jointly with the Armed Services' Subcommittee on Coalition Defense and Reinforcing Forces, be authorized to meet during the session of the Senate on Wednesday, February 23, 1994, at 2 p.m., to hold a hearing on the future of NATO: The NATO summit and beyond.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON JUVENILE JUSTICE

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Subcommittee on Juvenile Justice, of the Committee on the Judiciary, be authorized to meet during the session of the Senate on Wednesday, February 23, 1994, at 10:30 a.m., to hold a hearing on shaping our response to violent and demeaning imagery in popular music.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

FORT SACKVILLE

• Mr. COATS. Mr. President, I rise today to commemorate the 215th anniversary of the capture of Fort Sackville, located on the present-day grounds of the George Rogers Clark National Historical Park, Vincennes, IN.

Fort Sackville enjoys a vibrant history that reflects the courage and perseverance of America's Revolutionary patriots. Built in 1777 and named after a British Government official, Fort Sackville was one of several forts built during the frontier settlement of Vincennes. The fort was captured from the British during the American Revolution by George Rogers Clark and his small force of frontiersmen.

On February 23, 1779, following an 18-day journey from Kaskaskia through the freezing waters of the flooded Illinois country, George Rogers Clark and his force of approximately 170 American and French frontiersmen arrived in Vincennes to capture Fort Sackville. Surrounding the fort, Clark was able to give the impression of having a much larger army. In addition, Clark ordered tunneling operations around the fort to be used to plant explosive charges, thus convincing the British that they were no match for Clark's forces.

On February 25, 1779, British Lieutenant Governor Henry Hamilton led his troops out of Fort Sackville and surrendered the fort to Clark and his forces. Although Clark was unable to capture Detroit, his military successes prevented the British from driving the Americans from the Trans-Appalachian frontier. Thanks to Clark's achievements, the British relinquished a large tract of land west of the Appalachians, which later became the States of Indiana, Ohio, Illinois, Michigan, Wisconsin, and eastern Minnesota.

On the anniversary of the capture of Fort Sackville, it is important to recognize the contribution of George Rogers Clark and his troops to the cause of liberty. Their sacrifice and courage in resisting the British forces helped to build America's heartland, and I appreciate the opportunity to honor these patriots today.•

TRIBUTE TO REV. DR. JAMES DEMETRIADES

• Mr. LIEBERMAN. Mr. President, I rise before you today to honor one of Connecticut's finest community leaders. Rev. Dr. James Demetriades retired on December 31, 1993, ending over 30 years of service and dedication to God, his parish, and community. Beginning as a lay preacher of the Greek Orthodox community in Constantinople, Turkey, Reverend Demetriades became the dean of the St. George Greek Orthodox in Hartford, CT, in 1964.

During his tenure at St. George Greek Orthodox Church, Father James became an important community and statewide leader, rising to the position of vicar general of the Greek Orthodox parishes in the State of Connecticut. He has also served as chaplin for the Connecticut State Police and as ecumenical officer representing the Greek Orthodox Archdiocese. Father James also received a Ph.D. in philosophy of religion from the Hartford Seminary Foundation in 1972.

These are truly difficult times in our Nation today and it is our family and friends, combined with our churches that can help make these challenges easier to bear. Throughout his life Rev. Dr. James Demetriades has helped those around him with their struggles and has been a leader and inspirational model for all those he has come in contact with. He is to be commended for his lifelong service to the Hartford community.•

FOR HUMANITY'S SAKE

• Mr. SIMON. Mr. President, the recent anti-Semitic remarks made on a college campus in New Jersey have received a great deal of attention. Racism, in whatever form it takes, should be attacked, and, unfortunately, it too often has not been attacked.

While certain leaders in the African-American community have been recognized for their statements, less attention has come from many others who are less visible, who have stood up.

I subscribe to the Chicago Defender, a newspaper that particularly serves the African-American community in the Chicago area. Recently, Walter Lowe, the editorial page editor of that newspaper, had a column titled "For Humanity's Sake, We Must Oppose Anti-Semitism."

It was the kind of solid statement about what we should stand for as a people that deserves more attention.

I am grateful to him for standing up.

I am old enough to recall very well in the civil rights struggle that the white community generally most vocal in assisting that effort was not Lutheran, as I am, nor many other denominations, but the Jewish community. With the possible exemption of the Quakers and the Mennonites, in terms of percentages, the Jewish community probably stood up more than any other group.

I ask to insert Walter Lee Lowe's column in the RECORD at this point.

The column follows:

[From the Chicago-Defender]

FOR HUMANITY'S SAKE WE MUST OPPOSE ANTI-SEMITISM

(By Walter Lee Lowe)

I really don't think anyone would be jumping to conclusions in reasoning that the vandalism that damaged five Jewish organizations in the Rogers Park section of Chicago on the morning of Friday, Jan. 28, was a result of anti-Semitism. The arson and other injuries to the edifices were enough to anger any person who believes in equality, mutual respect, fair play and human decency.

It is truly unfortunate that there are individuals who are willing to expend their energy bringing destruction to others and their properties. Anti-Semitism is one of the most reprehensible practices in human history. There are countless instances in the past where Jews were the victims of wholesale intimidation, injury and genocidal slaughter.

These things must not be permitted to recur. They have already claimed the lives of too many children and adults who were innocent of crimes but were assaulted just because of their religion. Such actions are, in the real world of the global village, socially wrong and totally immoral. They border on lunacy, no matter how educated or socially prominent the perpetrator happens to be. That is just one of the many reasons why people of good conscience must vigorously oppose anti-Semitism.

It is also a very humanitarian reason for taking a stand against such bigotry.

There is also a wholesomely selfish reason why decent people should oppose anti-Semitism: the same fury, force, hatred and violence that claims the lives and property of Semites can also be directed against others just because of their religion, race, sex, age, height, weight, creed, etc. Jews and other Semites should not be harassed, attacked or otherwise bothered. But that truth is also applicable to Moslems, Christians, Bahai's, Hindus, Buddhists, Jehovah Witnesses, any

other members of the world's religions or atheists.

All deserve to live without the threat of violence hanging over their or their loved ones' heads. People who feel that it is all right to use bigoted words, practices and even violence against Jews and other Semites would be devastated if the same abusive behavior was unfurled against them because of their beliefs, race, gender, creed or other non-important characteristics. A person who sneaks through the night and firebombs a Jewish building for what it represents, is not only anti-Semitic but a coward. That type of mentality claimed countless lives of Black people during the period of lynching which occurred during and after the Reconstruction Period. It is also the type of cowardice that permitted various people in European countries to institute government-sponsored pogroms against Jews.

These pogroms allowed non-Jewish individuals and government officials to invade Jewish ghettos, destroy property, rape women, murder children and adults and confiscate their hard-earned money.

There is nothing wrong with disagreeing with Jews on various issues. There is nothing wrong with arguing a given point with a Jew. People disagree. People argue. Not only is such non-violent interaction very human but it can also be very healthy. Jews, African Americans, women, and other groups who have been historically persecuted just because they are who they are, do not for the most part, expect special favors or special treatment from the world.

They simply want to be treated like human beings. That is not too much to ask.●

FLORIDA LAW RELATED EDUCATION ASSOCIATION

● Mr. GRAHAM. Mr. President, as a Senator from the great State of Florida, I rise today to recognize a unique group from my home State, the Florida Law Related Education Association.

Every day, schools throughout Florida welcome new American citizens into their classrooms. These children know of the American dream and have now come to live it, but they don't fully understand it. With the help of great organizations like the Florida Law Related Education Association, these new young citizens, along with their peers, come to understand and appreciate the foundations of democracy set forth in the Declaration of Independence and the Constitution. The "We the People" program sponsored by the FLREA has taught students the joys of freedom and its responsibilities. Now more than ever, the importance of understanding our history is vital to the future of all Americans and to the future of the United States. This program plays an important role in the education of America's future leaders.

Through the dedicated efforts of volunteers, thousands of upper elementary, middle, and high school students participate in the "We the People" Bicentennial Competition. The program is based on the principles embodied in the Declaration of Independence and introduces students to the philosophical ideas of our Founding Fathers, the historical background of the Philadelphia Convention, and the issues and debates upon which our Constitution is based. In this program, students learn how our Government is organized and how it protects the rights and liberties of all citizens. Most importantly, students learn the responsibilities that accompany the rights of citizenship in a democracy.

By continuing the tradition of debating fundamental issues, this group pledges to the world that freedom and justice will prevail. By instilling in our youth an appreciation for liberty, they help ensure liberty for generations to come.

Those dedicated volunteers who preserve the history of our ancestors and their ideas are: Theresa Bryant, Steve Byrne, Gene Cain, Karen Cloud, Miriam DePool, John Doyle, James Elliott, Karen Miles-English, Charles Fleming, Connie Hankins, Paul Hanson, George Jeandheur, Sheila Keller, Steve Kovacs, Sharon Ledbetter, Christa Lira, Bill Massolio, Karin Moore, Judy Nugent, Annette Boyd Pitts, Suzanne Prior, Louis Roos, Clint Rouse, Cynthia Ryan, Patricia Segrest, Kathy Steiner, Dr. Theron Trimble, and Paul Trojac. They deserve much appreciation from the residents of Florida.

"We the People" helps to direct our youth to be responsible leaders in the future. I am honored to have this group recognized by the U.S. Senate and am grateful to these dedicated coordinators for their contributions to the development of Florida's children into informed and educated citizens.●

SWEARING IN OF DR. JOHN H. ZIRSCHY TO BE PRINCIPAL DEPUTY ASSISTANT SECRETARY OF THE ARMY, CIVIL WORKS

● Mr. CHAFEE. Mr. President, I am proud to report that yesterday, February 22, 1994, Dr. John H. Zirschy was sworn in to be the Principal Deputy Assistant Secretary of the Army for Civil Works.

As a Presidential appointee to this position, Dr. Zirschy will provide executive direction and leadership to the Army Corps of Engineers civil works program. Dr. Zirschy's responsibilities also will include program representation, and congressional testimony. Additionally, he will be asked to serve as the Acting Assistant Secretary of the Army for Civil Works until that position is filled by the President.

Prior to his appointment as Principal Deputy, John served as a professional staff member of the Senate Committee on Environment and Public Works. Before joining our committee staff, he was Senator JEFFORDS' environmental adviser. Dr. Zirschy performed most admirably in both of these assignments and the Senate profited from his expertise and dedication. He will bring to the Army Corps of Engineers an impressive breadth of professional and academic experiences which will prove valuable, as they have in his previous posts.

I am pleased to have had the opportunity to work with Dr. Zirschy while he was serving with the U.S. Senate and strongly support the administration's decision to appoint him. I look forward to working with him in his new capacity.●

CAN WE STOP TV VIOLENCE?

● Mr. SIMON. Mr. President, one of my favorite columnists is William Raspberry. One of the weaknesses we have in life is that we tend to like the people we agree with, and, with rare exceptions, I agree with Bill Raspberry. He offers insight, as well as being a good journalist, and he has a heart and shows it, as well as having common sense.

Recently, he had a column on TV violence that puts forward the commonsense reality that we have to face, and we are gradually facing, now in our society.

I ask to insert the Bill Raspberry column in the RECORD at this point.

The column follows:

[From the Annapolis (MD) Capital, Feb. 7, 1994]

TV VIOLENCE IS HARMFUL—BUT CAN WE STOP IT?

(By William Raspberry)

ATLANTA.—"In my field of psychology, there's a lot of ambiguity," Arnold P. Goldstein admits. "But after a while, there's enough research to say we have a fact."

This, he says, is a fact: Television violence begets real-world violence.

Goldstein, director of the Center for Research on Aggression at Syracuse University, is here as the featured consultant at a two-day conference on school violence. He has made a major sideline of instructing professionals—this time members of the National Association of School Psychologists—in ways of reducing violence. His books on teaching social skills to anti-social youth—"skill streaming," he calls it—are respected across the nation.

But he believes his work would be a good deal easier if television weren't so doggedly violent.

"There's just no question of the effect of television," he tells me. "Literally hundreds of studies all point to this conclusion. The only people who seriously question the link—like the tobacco industry questioning the link between cigarette smoking and cancer—are the TV people themselves, and even many of them are coming around."

Goldstein lists three main categories of effects: The aggression effect, the victim effect and the bystander effect.

The first includes so-called copycat violence. "There are 188 separate studies, involving 244,000 viewers, showing that a substantial number of viewers will become more aggressive, more violent after watching violent TV shows. Younger children are affected more than older ones, boys more than girls. In terms of types of show, the violently erotic are the worst."

He said studies show that there is more copying of violent acts when the violence is

justified or rewarded in the script, when it involves how-to specifics and when it is shown as relatively painless, or when victims of violence are shown quickly recovering from their injuries.

The "victim effect" principally involves an "increased level of fearfulness about the world in general," according to Goldstein. "What troubles me most, though, is the bystander effect. You know, the Kitty Genovese syndrome. Televised violence increases the degree of callousness and indifference to actual violence. People who watch TV violence become less helping toward the victims of violence and display more tolerance for higher and higher levels of aggression."

Most of us know—or have strongly suspected—what Goldstein's analysis of reams of studies demonstrates. Television knows it, too. The question is what to do about it.

For Goldstein the answer is something short of official censorship but "something beyond the tips-to-parents advice—sitting with your children, talking about the violence, monitoring their viewing, that sort of thing." But he doesn't know just what.

I don't either. The violence-content labeling recently adopted by the industry (following a major public outcry and congressional hearings) is a help, but principally for at-home parents of small children. Older children, including "latchkey kids" who baby-sit themselves until their parents get home, won't bother with the labels—except, perhaps, as a guide to which are the really cool shows.

Various channel-blocking devices could be helpful in locking out, say, certain cable channels. But what parent would take the time to check each day's listing and block out specific objectionable shows (assuming it was clear which shows were objectionable and assuming there were machines capable of such selective blocking)?

And who, in households where parents can't tape tonight's "Jeopardy" show without help from the kids, would program those machines? ("OK, Mom, I've got it set so it'll only get PBS and the Gospel Hour. You and Dad have a nice evening.")

The violent influence cited by Goldstein—he says there are, on average, eight violent acts per prime-time hour on television—may be beyond the means of technology to control.

Indeed, it's hard to see what, within the confines of the First Amendment, might control it. The most frequently mentioned alternative is a boycott of sponsors of worst-offending programs. But there are two problems with that.

First, many cable shows (including some of the raunchiest and most gratuitously violent on television) are unsponsored.

And second the reason TV operators keep bringing us this stuff that is scaring us, numbing us and, yes, killing us is that they are privy to our dirty little secret:

We want it.●

TOUGHLOVE

● Mr. DURENBERGER. Mr. President, I rise today to honor the Toughlove Parent Support Groups of Minnesota. This entire month of February is being observed as Toughlove Programs Against Violence Month. And it is important that we take time this month to pay tribute to the work of this organization.

Toughlove is a self-help organization dedicated to helping families in crisis as a result of children who are in trouble in school, at home, and in their communities.

Many of these young people have problems with drugs and/or alcohol, their sexuality, suicide, gangs, cults, and the expanding violence in and around their lives.

Toughlove Parent Support Groups have been active in Minnesota for 8 years. Their work heightened our awareness of the importance of communities joining together to combat the virus of violence that has become an epidemic in our Nation.

Toughlove declared February 14, Valentine's Day, 1994 as a day against violence. Mr. President, let us continue to make every day of 1994 a day when we, as a nation, promise to oppose violence, and make every effort to end violence in the places we live and work.●

KHARTOUM CHARACTER

● Mr. SIMON. Mr. President, there is much good news in Africa, and, unfortunately, it does not make the headlines.

Africa is moving steadily, if not dramatically, toward greater and greater democracy. But it goes in fits and starts and without consistency. Probably the most discouraging place in Africa today is Sudan.

It is discouraging because there are hundreds of thousands—perhaps over 1 million—who face severe malnutrition in the southern part of the country.

The government is oppressive, and despite assurances that the government gives me from time to time that they are moving in a more constructive direction, I have seen little evidence of it.

An article by Joshua Hammer, who heads Newsweek's Nairobi bureau, in the New Republic, gives something of the character of the situation in the capital city.

I do not suggest that the government alone is responsible for the difficulties in that country. Unfortunately, there is division among those who oppose the government in the south. That has added to the bloodshed and the loss of life and the lost opportunity to get food to desperate people who need it.

But if the government in Khartoum were to take a more tolerant attitude to those who may differ politically or religiously, Sudan could be one of the better examples of progress in Africa. Today it is the opposite.

At this point, I ask to insert into the RECORD the Joshua Hammer article.

The article follows:

[From the New Republic, Feb. 7, 1994]

KHARTOUM CHARACTER: A VISIT WITH SUDAN'S DESPOT

(By Joshua Hammer)

Muhammad Bashari steered his battered yellow taxi along the bank of the White Nile, peering nervously into the rearview mirror. "Do you see anyone behind us?" he asked. He sped through the near empty streets of Khartoum, passing white-robed herdsmen and their goats. We were going to interview a leading oppositionist, and Muhammad feared surveillance. Earlier, he had spotted two plainclothesmen watching us in the lobby of the Khartoum Hilton; that was when he handed me the name of his friend at the U.S. Embassy. "He got me out of jail last time after only eight days," Muhammad said.

I met Muhammad my first evening in Khartoum, an arid city of palm trees and minarets at the confluence of the White and Blue Niles—the crossroads of Africa and Arabia. I had come to investigate reports that the National Islamic Front, Sudan's ruling party, was covertly sponsoring international terrorism charges that led to its being placed on the State Department's black list last August. But I became even more intrigued by the transformation of the once democratic Sudanese society wrought by the NIF. In just four years, they've banned political parties, shut down the press, tortured thousands of oppositionists in "ghost houses"—unmarked residences hidden away on Khartoum's outskirts—and carried out Koranic, or sharia, law with a vengeance. This process has not only destroyed the economy and forfeited Western development aid, but has instilled fear and loathing in much of the population.

Muhammad was no exception. A paunchy, pleasant-faced attorney in his 40s, he quit the bar after the NIF seized power in a military coup in 1989. He said it was difficult to work in a legal system packed with Islamic zealots—and he realized that he could make a bundle as a $150-per-day guide for Western journalists. The decision had cost him. He had been investigated, followed and interrogated by the police; I thought it prudent not to use his real name in this article. As we drove through Khartoum, looking for black market gasoline at $7 a gallon, he vented his frustration. "The NIF cleans the streets—but most of all they clean out stomachs," he said.

Khartoum has indeed been drained of its natural, African vitality. Liquor, nightclubs, Western movies and discotheques are all banned. (I spent many disgruntled evenings at the Hilton's Sunset Lounge, drinking "favorite cocktails and after-dinner drinks" like guava and lime juice.) State-run T.V. airs little but Islamic conferences and footage of government soldiers in southern Sudan. About the only entertainment that the NIF permits is soccer. Muhammad and I watched Khartoum play Port Sudan at Khartoum stadium. Some 25,000 men (women aren't allowed) cheered wildly and munched sunflower seeds, savoring a cathartic escape from government control. "Some NIF people want to ban football, too," Muhammad told me. "But they know if they did that the people would rise against them. They would be finished."

All Sudanese office workers are now obliged to join the Popular Defense Force, an Islamic paramilitary group. Everywhere here you see men and women clad in coffee-colored uniforms, chanting Islamic slogans ("God is great! We are ready for the enemy!") as they jog through the streets. I accompanied one group of bank worker "volunteers" to a dirt field by the confluence of the Niles. Panting Arabs with hefty guts performed a two-hour regimen of exercises alongside jet-black Dinka tribesmen from the Christian south. Employees looked away when I asked what would happen if they refused to participate. (One man whispered they would lose their jobs.) "We want the

roots to grow deep and change the manner of the people," the bank's chairman, a leading member of the NIF, told me. "We want to rebuild the culture according to Islamic principles."

The principal architect of the NIF's revolution, party chairman Hassan al-Turabi, speaks perfect idiomatic English punctuated by weirdly disarming little giggles. Clad in a white turban and traditional white robe known as the jelabia, Turabi sipped tea and spoke about how Sudan had "created an inspiring example for the whole world." I asked him about the Sudanese martial arts expert who had attacked and nearly killed him in 1992 at Ottawa's airport. The assassination attempt reportedly terrified Turabi, who now is said to sleep in a different house nearly every night. Turabi just giggled. "A black belt in karate and he couldn't even kill me with four blows," he said. "It made a symbol of Islam. Now I am famous all over the world." Turabi denied the existence of ghost houses, claimed the economy was booming and said the cutoff of aid was good because it rid the country of Western dependence.

My last morning in Khartoum, we drove to meet Muhammad Ibrahim Nugud, a distinguished attorney and leading anti-government politician who spent two years in jail between 1989 and 1991. We wound through sandy back alleys to evade the cops. Nugud is watched round-the-clock, but nobody was visible outside his walled compound this day. "They've taken their morning tea break," Nugud said. He had been up all night coordinating defense strategy for an imminent treason trial of top opposition members. He looked bleary-eyed and depressed. "Everybody knows the lies, the phony success stories," he said. "But we are filled with fear." My guide dropped me at the airport an hour later, still uncertain whether our expedition had jeopardized his safety. "Wish me luck," he said. Then he drove away, finished—for now—with his dangerous game.●

TRIBUTE TO DEBORAH STARR O'HARA

● Mr. SHELBY. Mr. President, today I am pleased to recognize the achievements of one of Alabama's finest educators, Mrs. Deborah Starr O'Hara, recipient of the 1993 Presidential Award for excellence in science and mathematics teaching.

Mrs. O'Hara is a resident of Alabaster, AL, and a graduate of the University of Alabama at Birmingham. She has taught at Shelby County High School for 7 years, and is currently working toward a master's degree in mathematics.

During her career as an educator, Mrs. O'Hara has exemplified educational excellence in Alabama schools. Through her creative classroom leadership, Mrs. O'Hara has enriched the educational foundation of many of Alabama's young people. In addition to her commitment in the classroom, Mrs. O'Hara has participated in numerous continuing education and enrichment programs. She has also presented workshops statewide on educational methods and the future of secondary education.

Among Mrs. O'Hara's other honors are her memberships with the National Association of Student Activity Advisers, the Shelby County Education Association, the Alabama Education Association, the National Education Association, and the National Council of Teachers of Mathematics. She has also participated in Project A.S.S.E.T., an innovative statewide program of interactive learning.

In April, Mrs. O'Hara will join with outstanding educators from across the country to be honored here in Washington with the Presidential Award for excellence in science and mathematics. Her dedication exemplifies the type of superb educational leadership that we need to ensure prosperity in our children's future, and it should remind us of the need for a continuing commitment to excellence in public education in America. I extend my sincerest congratulations to Mrs. O'Hara and wish her continued success in the future.●

A TRIBUTE TO NEW YORK NEIGHBORHOOD SELF-HELP GROUPS

● Mr. D'AMATO. Mr. President, I rise today to pay tribute to three exceptional New York neighborhood self-help groups that are revitalizing Harlem, Brooklyn, and Rochester. Each of these groups worked in partnership with a major New York financial services institution and for this reason were honored by the social compact in conjunction with the 1993 outstanding community investment awards competition, which brings national attention to outstanding partnership-based strategies that are strengthening disadvantaged neighborhoods. The honorees are: the Harlem Restoration Project, in partnership with Chase Manhattan Community Development Corp.; Coalition of North East Associations, in partnership with Chase Manhattan Bank in Rochester; and Mutual Housing Association of New York, in partnership with Chemical Bank in Brooklyn.

These partnerships used very similar strategies in each of their diverse communities; namely, the acquisition and rehabilitation of existing properties. The Harlem Restoration Project serves the neighborhood in west Harlem, where there is a great number of old, abandoned or neglected buildings, making the housing supply perilously inadequate. The project currently manages 11 large apartment buildings under the authority of the city of New York, and is being honored for its rehabilitation of the property at 270 Nicholas Avenue. By replacing the building's roof, installing a boiler, and a new plumbing system, 76 apartments were restored and 100 percent occupancy maintained, insuring that there would be one less abandoned building in west Harlem. The Chase Community Development Corp. was an invaluable partner, providing $474,410 in loans to the Harlem Restoration Project for mortgage and construction costs. The New York City Department of Housing Preservation and Development also joined this partnership to completely cover costs.

The Chase Corp. was also honored for its work in Rochester with Coalition for North East Associations [CONEA]. CONEA serves the Upper Falls area of Rochester, and rehabilitated a rundown drug house located on the neighborhood's most violent commercial strip, turning it into CONEA's new office space and low-income housing. The two adjacent lots are also being used to building a community center. This achievement impacts the community in two ways: It rids the neighborhood of a crackhouse and locates CONEA in the heart of the neighborhood, close to schools and other community groups. Chase Manhattan of Rochester donated construction materials, a $1,000 grant to cover interest payments on the building and a $30,000 line of credit, which allowed the project to be completed within a year.

Finally, Mutual Housing Association of New York [MHANY], which serves the east New York, Bushwick, and Crown Heights neighborhoods of Brooklyn, is being honored with Chemical Bank for its ongoing process of acquisition and rehabilitation of small buildings. These neighborhoods are some of the most socially and economically distressed communities in New York City, characterized by widespread poverty, crime, drug abuse, and small abandoned buildings. MHANY's rehabilitation program has resulted in the complete renovation of 55 units that are now occupied by low-income families. Chemical Bank provided a $200,000 recoverable grant through the nonprofit intermediary Consumer Farmer Foundation, which was used to acquire the various MHANY buildings.

The successes of these projects bear witness to the fact that demolition or simply ignoring the problem are not the only ways to react to urban blight. The social compact seeks out the most innovative and effective examples of affordable housing, community, and/or economic strategies that are carried out by partnerships between financial services institutions and neighborhood-based nonprofit organizations. MHANY, CONEA, the Harlem Restoration Project, Chemical Bank, and Chase Manhattan Corp. deserve the commendation of being chosen as 3 of the 16 honoree partnerships recognized in this nationwide competition for proving that the economic use of existing resources can benefit an entire community.●

THE 100TH ANNIVERSARY OF THE UKRAINIAN NATIONAL ASSOCIATION

● Mr. BRADLEY. Mr. President, on February 22, the Ukrainian National

Association celebrated its 100th birthday.

The Ukrainian National Association was founded on February 22, 1894, as a fraternal insurance organization to meet the financial needs of the growing Ukrainian immigrant community in the United States. Over the course of a century, it has developed into much, much more. With 370 lodges in the United States and Canada, the UNA provides its members with a wide range of educational, cultural, social, and charitable benefits. The UNA publishes two newspapers—Svoboda, the oldest Ukrainian-language daily in the world, and the English-language Ukrainian Weekly—and has financed numerous books on Ukraine.

During the many dark years when Ukraine was under foreign domination, the UNA helped keep alive the flame of Ukraine's culture and traditions. Now that Ukraine is free, the UNA can look to a second century of service as an essential link between North Americans of Ukrainian descent and their homeland.•

SYRIA AND THE UNITED STATES

• Mr. D'AMATO. Mr. President, I rise today to discuss Syria and the role it is playing in the Middle East peace process.

A short time ago, some of my colleagues and I wrote to President Clinton explaining our views on Syria, and our fears that Syria's continued efforts at destabilization of the region will prevent a comprehensive peace settlement. We cautioned that there should be no effort by the United States to remove Syria from the list of countries that the State Department identifies as supporting terrorism. We also advised that Syria's role in narcotics production and distribution was also of very serious concern.

These issues, along with the President's recent meeting with President Asad of Syria cause me great concern. This Senator, for one, has always been wary of Asad, whose contempt for freedom and the cause of peace has never been in question. I feel that he is an extremely dangerous and crafty tyrant, who remains a danger to be constantly monitored and not appeased—I repeat, not appeased—as other administrations have done.

In response to our letter, the President responded that he has no intention of removing Syria from the terrorism list, and that Syria must make further progress on the narcotics issue. These are two important issues of concern in regard to Syria, and I hope that the administration does not forget this commitment.

Hafiz al-Asad is not Saddam Hussein. He will not make the same errors. Because of that, he cannot simply be ignored or coddled. If either is done, the effect will be disastrous.

Mr. President, I ask that the text of the President's letter to me be included in the RECORD following my remarks.

The letter follows:

THE WHITE HOUSE,
Washington, DC, February 18, 1994.

Hon. ALFONSE D'AMATO,
U.S. Senate,
Washington, DC.

DEAR SENATOR D'AMATO: I appreciated receiving the letter from you and your colleagues on policy toward Syria.

I do not view relations with Syria solely through the prism of the peace process. However, I am committed to doing everything possible to achieve a comprehensive and lasting peace in the Middle East. Such a peace can bolster Israel's security, grant it normalized relations with all its neighbors and offer a new future of hope and prosperity for all the peoples of the region. Peace between Israel and Syria will also assist our efforts to strike a blow at terrorist organizations because a Syrian commitment to peace with Israel will require an end to support for organizations committed to Israel's destruction. My decision to meet with President Asad was intended to help advance these goals. Our private discussions in Geneva and President Asad's public expression of Syria's "strategic decision" for "normal peaceful relations" with Israel helped lay the groundwork for substantive progress in direct Syrian-Israeli negotiations now underway in Washington.

I remain determined to bring about an end to state supported terrorism. There is no intention of removing Syria from the list of states which support terrorism until such time as it ends its support for terrorist organizations. Similarly, further progress must be made by Syria in addressing our narcotics production and trafficking concerns before any change in our present position can be made. I made clear our concern regarding these and other issues, including human rights and the Arab boycott, in my meeting with President Asad. We have agreed to establish a bilateral exchange under the direction of Foreign Minister Shara and Secretary Christopher to ensure that there is a detailed and sustained effort to have Syria address these issues.

With respect to the presence of Syrian forces in Lebanon, I reaffirmed to President Asad our support for full implementation of the Taif Accord and for a sovereign and independent Lebanon free of all foreign forces. It is my belief that progress in the peace process is also the best means of achieving this goal.

I appreciate receiving your views on this issue. With best wishes,

Sincerely,

BILL CLINTON.•

UKRAINIAN NATIONAL ASSOCIATION'S 100TH YEAR ANNIVERSARY

• Mr. SARBANES. Mr. President, I rise today to offer my congratulations to the Ukrainian National Association [UNA] for its first 100-year anniversary of dedicated service to the Ukrainian-American community.

The UNA was established on February 22, 1894, with 13 branches around the country, following the creation of Svoboda, the first Ukrainian-American newspaper in the United States which celebrated its first centennial last year. With a membership of nearly 66,000, the UNA has expanded during its first century to a total of 370 chapters or lodges in 27 States and 7 Provinces of Canada. Over the years, the UNA has provided a wide range of services to its members, including the granting of over $120,000 in annual scholarships, the sponsorship of programs promoting educational and cultural traditions, and extending assistance to Ukrainian refugees and victims of natural disasters.

Indeed, the UNA has devoted itself to supporting its membership through difficult times, such as the catastrophic famine of the 1930's which claimed the lives of millions, and preserving the community's identity with its traditions and heritage, which contribute to the rich cultural diversity of our country. To be sure, I am certain that my colleagues would agree that such diversity remains a source of tremendous strength for our Nation. In fact, we in the State of Maryland are fortunate to have an active and thriving Ukrainian-American community.

In keeping with our Nation's highest principles, the UNA also has reflected the commitment of Ukrainian-Americans to basic democratic values in the form of years of struggle for freedom and independence for Ukraine. Last month marked the 76th commemoration of the Ukrainian Act of Union, approved by the Rada in January 1918, during a period of hope and inspiration for the Ukrainian people. Unfortunately, this dream of independence only proved illusory and short lived until recently. With the implosion of the Soviet Union and the objectives of a long struggle finally realized, the UNA continues to extend support to an independent sovereign Ukraine by helping it secure democratic and free-market institutions.

In 1990, the UNA established a private fund to help address the needs of the newly independent country. Working with the U.S. Government and other private organizations, the fund has facilitated the printing and delivery of educational publications including school textbooks and dictionaries, and the establishment of an independent publishing house. In addition, since 1992, the UNA has collaborated successfully with other groups in sending nearly 90 English teachers to 40 cities in Ukraine under the so-called Teaching English in Ukraine program.

Mr. President, I join my colleagues in this centennial celebration of the Ukrainian National Association's contributions to the Ukrainian-American communities of North America and Ukraine.•

THE PRESIDENT'S ENVIRONMENTAL YOUTH AWARD

• Mr. SIMON. Mr. President, I would like to commend the achievements of

Thomas R. Pfeifer of Schaumburg, IL. Thomas was 1 of 10 recipients recently honored with the President's Environmental Youth Award for 1993.

Thomas received the award for his efforts to return the woodland area at the Spring Valley Nature Center in Schaumburg to its original state. Thomas organized volunteers to remove weeds and underbrush at the site as well as replant trees and flowers.

In addition, Thomas coordinated a successful ecology fair at his local school. At this fair, Thomas provided information concerning wetlands, recycling, the effects of cigarette smoke, and other environmental issues.

Mr. President, I am encouraged by the extraordinary efforts of young people like Thomas Pfeifer. It is good to see that younger generations are making a commitment to environmental preservation. I congratulate Thomas and hope he will continue his good work.●

CHILD SAFETY EDUCATIONAL PROGRAMS

● Mr. DECONCINI. Mr. President, I rise today to address an area of education which I believe requires more national attention and support. Recent tragedies have served as grim reminders that the protection of our children from abduction, abuse, and exploitation must be a priority not just in families but in communities, law enforcement agencies, and educational institutions. The recent, tragic abductions of Polly Klaas in California and Sara Wood in New York and similar incidents elsewhere have rightfully thrust the heart-wrenching horrors of child victimization to the forefront of media coverage, legislative agendas, educational institutions, and our Nation's conscience.

The most recent Department of Justice national annual estimates taken in 1988 indicate that there were 114,600 attempted abductions of children by nonfamily members, 450,700 runaways, and 438,200 children who were lost, injured or otherwise missing. These statistics do not paint the whole picture of child victimization since they do not scratch the surface of child abuse and molestation. An FBI Law Enforcement Bulletin reports that "like rape, child molestation is one of the most underreported crimes, only 1 to 10 percent are ever disclosed."

Law enforcement agencies serve as our primary resource in the investigation of crimes against children and play an integral role in some areas of prevention. Law enforcement's tireless efforts in protecting our children should be commended and strongly supported and the importance of their role in preventing and resolving these tragic cases must not be understated. The responsibility of child victimization prevention, however, also lies with families and educational institutions. Children must be armed with the knowledge they need to stay safe and our education system must make a commitment to provide comprehensive child safety education programs in our schools and other child group settings.

The challenging task of developing a unique personal safety curriculum for children was undertaken by the National Center for Missing and Exploited Children and the Adam Walsh Child Resource Centers in the mid-1908's through grants and cooperation from the private sector. The result of this joint effort was the introduction in 1988 of a comprehensive child safety program for children from kindergarten through grade six called Kids & Company Together for Safety. I, along with many of my colleagues from both sides of the aisle, including Senators BIDEN, THURMOND, SIMON, MCCONNELL, METZENBAUM, AND D'AMATO, have long been supporters of the efforts of the National Center for Missing and Exploited Children, the mission of which is to assist in national efforts to locate and recover missing children and raise public awareness about ways to prevent child abduction, molestation and exploitation. The center's success, with private sector assistance, in developing and distributing an effective, comprehensive child safety curriculum should be applauded. Since 1992 alone, the nationally recognized and critically acclaimed Kids & Company curriculum has been taught in over 4,000 classrooms in 34 States. Kids & Company has been endorsed by the National Education Association, National School Boards Association, National Association of Secondary School Principals, The National Children's Advocacy Center, American Association of School Administrators, and the Boys and Girls Clubs of America.

Just as we have combined the efforts of law enforcement with education in the battle against drugs and violence in our schools through programs such as Drug Abuse Resistance Education [DARE], and Gang Resistance Education and Training [GREAT], so too must we marshal our efforts in attacking the problem of child victimization. In fact, self-protection training provided through the DARE program directly contributed to the recent, successful escape by a 12-year-old girl in Massachusetts from the attempted abduction by a suspected serial killer who was subsequently apprehended.

Mr. President, the time has come to encourage, urge, and support the use of child safety education programs in our schools. Costs are minimal and are frequently handled though private sector grants and assistance. Kids & Company has not only taught children ways to avoid the risks of abuse, abduction and physical harm, it has also helped to stop it. In the six States where the curriculum was initially piloted, dozens of school children came forward to disclose their own abuse and requested intervention in stopping it. Kids & Company provides children with skills, information, self-confidence and support, enhances self-esteem and helps prevent abduction and abuse. It provides information and materials to assist teachers and parents in instructing children and properly handling reports of abuse.

Kids & Company has been heralded by a wide spectrum of educators, psychologists, child protection workers, lawyers, administrators, parents, and community leaders. Surveys conducted on child safety programs found that the most effective programs were those given over a period of years and involve parents in the process. Many programs which involve one-time instruction have been deemed inadequate and limited in scope. Comprehensive, constructive, long-term education involving parents and teachers will play a vital role in combatting crimes against children and Kids & Company serves as an excellent standard.

Effective child safety programs such as Kids & Company, are available for little or no cost. It is incumbent upon all of us to make our communities aware of effective programs, urge their use and encourage companies, associations, and clubs to assist in acquiring these programs for our schools and institutions which serve our children. I commend the National Center for Missing and Exploited Children and their private sector partners for their efforts in developing the comprehensive child safety program, Kids & Company, and facilitating its distribution to so many schools and children throughout the Nation.

I intend to encourage the support and assistance by the private sector in promoting child safety education in my home State of Arizona and I urge all of my colleagues to initiate and support similar efforts in their respective States.●

THE EFFECT OF A POSITIVE TELEVISION MESSAGE

● Mr. SIMON. Mr. President, today I rise to commend Charles S. Dutton and the Fox Television Network for a recent episode on the television program "Roc" which took a stand against kids and guns. In a January episode, entitled "Terence Got His Gun," the show tackled the issue of gangs and children who own and use guns to protect themselves. At the end of the show, Mr. Dutton made a direct appeal to the television audience urging parents to better supervise their children.

A phone call to a radio station in Phoenix, AZ, demonstrates the forcefulness of Mr. Dutton's message. Following the rebroadcast of the "Terence" episode, a mother told the radio station that her son came to her and

gave her his gun after seeing the television program. She did not even know that her son had carried a weapon.

This story reminds us all of the powerful effect of television and the positive role it can play in our society. I congratulate Mr. Dutton and Fox for their efforts and encourage them to continue to use the television medium to address tough social issues.•

ILLITERACY

• Mr. SIMON. Mr. President, the Chicago Tribune recently ran a moving and informative article by E. Annie Proulx, "X Marks the Shame of Illiteracy."

We need to see that all Americans have the opportunity to learn to read and write, and that those who do not read and write well have the opportunity to improve their skills.

I recommend this article to my colleagues and ask that the full text be inserted in the RECORD.

The article follows:

X MARKS THE SHAME OF ILLITERACY

(By E. Annie Proulx)

For years, I tried to learn something of my father's family, whose hyphenated French-Canadian/Franco-American/Native American/New England history was buried in darkness. There were faint gleams here and there, fragments of stories.

The most impenetrable blackness hid my great-grandmother who died around 1925. All my father remembered was that she had a sour disposition and a mysterious trunk that was always locked. Beyond that, nothing: no photograph, no diary, no letters nor postcards, no favorite recipes, no handkerchief with an initial embroidered in the corner. Not even her name was fixed; on her children's birth certificates it rolled like mercury through variant forms and spellings. No one knew where she had been born or where she was buried. When she died she disappeared utterly. There was no calling her back. It amazed me that a life that extended into the 20th Century could leave so faint a trace.

One morning this spring I was notified by telephone that my first novel had received the P.E.N.-Faulkner Award. I was still walking on air when, the next day, the mail brought a photocopy of a document dated 1913. The document concerned by grandmother, then 18 years old, and her mother, the elusive woman with the locked trunk; it was the legal form giving parental permission for the minor daughter to marry. The mother's name was on the appropriate line—but in the town clerk's hand. To one side was a crooked, unsure X and above and below it the town clerk's had written "her/mark." X, her mark.

Until that moment it had never occurred to me that my great-grandmother had been illiterate. All at once I understood the grayed blur of her life, the crazy spellings of her name, for if you are illiterate, what do you know of spelling, even your own name? The only trace this woman left of her passage through life, save for progeny, was that labored X.

The juxtaposition of the literary award and my relative's illiteracy awakened me to the strange half-life that the millions of people in this country who cannot read are condemned to live.

In the late 20th Century, if you are an adult who cannot read or write, you are a lump of animate clay pushed from one incomprehensible situation to another. Books are as dumb as rocks, newspapers accusingly opaque; you have to satisfy the natural human hunger for stories with television, bar jokes and radio songs; your job, if you have one, is from the bottom rack and that's as much as you dare expect; you cannot read the home-care instructions the doctor writes out after your operation, nor can you read a vision chart; you can't pass a driver's test or puzzle out a note from your child's teacher; you cannot read bedtime stories to your children; since you cannot read a ballot and cannot make sense of the issues in local or national politics, you don't vote; you are the anxious nuisance traveler who keeps buttonholing other passengers about departure times because you cannot read the schedule; you go to restaurants that feature photographs of food, point and say, "Guess I'll have that."

You sweat blood over application forms—employment, credit, mortgage and loan, licenses, leases, building permits—and have to take along the spouse or work mate to fill in the answers. You're easy to push around because you don't know what rights you have.

Illiteracy marks you. And you know it. You are acutely, hotly ashamed and embarrassed, and the shame comes out sometimes as a hatred of books and education and smart-ass college types. You hide your dirty secret as long as you can. It may be for a lifetime. It was for my great-grandmother.

The Department of Education's major study of adult literacy in the United States released Sept. 8, and the similar report, released a week later, "Reading Report Card for the Nation and the States" that tested 140,000 students in 41 states, shoved some depressingly bleak facts in our faces. Half of adult Americans and roughly 30 percent of students are unable to stumble through the simplest sentences and arithmetic. They are—ugly label—functionally illiterate.

Liberal helpings of blame for this rampant American illiteracy are being heaped on the usual plates; lousy teachers and a push-'em-through-school attitude; crowded schools and wild, disruptive students; barrel-scrape federal funding; numbingly bureaucratic state education departments; lack of community support; reactionary legislators; know-nothing governors; uncaring parents who let their children watch television until their brains rot. The beam of media light rarely falls on the local programs and individuals who sit on the other side of the kitchen table showing nervous and defensive people the way into words, sentences, books and enlightenment.

There are hundreds of adult education and literacy programs in the United States, some fostered by corporations and employers, some by church or religious groups, by service organizations, non-profit groups, community colleges. Many are funded to some extent by federal and state money, most depend on financing from private and community sources as well as proceeds from bake sales, author readings, raffles and dances. Although the literacy problem is national in scope, the majority of programs teaching people how to read are small, unconnected, grassroots, each with its own agenda, teaching methods and selection of materials.

Most adult literacy programs start their students out with a private teacher in a one-on-one learning experience, often in the privacy of the student's kitchen (sometimes with all the shades pulled down) until there is enough confidence to join other new readers in this, the most heady and empowering of human skills. Yet hundreds of thousands of people who cannot read never know that such programs exist.

My own rural state of Vermont, with an estimate 16,000 illiterate adults, is strapped for cash and recently cut funding to Adult Basic Education by $100,000. On economic grounds—the common excuse—it chose not to participate in the federal Department of Education's literacy studies, the only uninvolved New England state. Yet the state has private, non-profit adult education organizations of quality and value. Staff members, hundreds of volunteers, business people and employers, rural communities, museums, local libraries, civic and service organizations, private individuals, writers, artists, bookstore owners are involved in the work of literacy, which extends from the first private, sweaty hours to discussion groups and classes, to attendance at public literacy events and involvement in the intellectual life of the community.

The Central Vermont group (there are others) has 250 volunteers; 81 percent of its $710,000 1994 budget will go for direct services to 1,000 new readers. The state and federal governments provide 76 percent of the budget, town tax dollars add another 3 percent and the rest is raised from individual and corporate sources.

But contrast this small rural state's situation with that of Washington, D.C. In Washington, according to the non-profit, all-volunteer Washington Literacy Council, in existence for 30 years, there are 76,000 functionally illiterate adults. There are 400 volunteer tutors teaching adult new readers, and a waiting list of 45 students.

The shocker comes with the budget. The Washington Literacy Council functions—somehow—on an annual budget of $50,000. Viveca Teuber, the executive director, had her own moment of truth with the fact of illiteracy. "I used to live on Capitol Hill, behind the Library of Congress," she said. "One day in a drug store a lady came up to me and asked me to read her a card—she wanted to buy a card for her husband. She said she'd forgotten her glasses. It didn't occur to me that she couldn't read. Then, a few weeks later, in a grocery store, a gentleman asked me to read the back of a medicine bottle. I thought, 'Why me?'" A few weeks later she became a volunteer at the Washington Literacy Council and began teaching people to read.

I wish my great-grandmother had had the chance to learn.•

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAUCUS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. MURRAY). Without objection, it is so ordered.

Mr. BAUCUS. Madam President, what is the pending business?

The PRESIDING OFFICER. The Senate is in morning business.

TRIBUTE TO BARBARA OSBORNE

Mr. BAUCUS. Madam President, it is with a profound sense of sadness that I

rise today to note the passing of a member of my staff, Barbara Osborne.

For 15 years, since I was first elected to the Senate, Barb served as my manager in my Great Falls office and before that, as I was running for the Senate, she and her husband Glen were trusted friends and supporters in the Great Falls community.

While Senate staff receive little public attention, it is people like Barb Osborne who help make this institution run. Throughout her service to the Senate, Barb was always there for me and always there for the people of her community.

Through and through, Barb was a team player. She had my respect, my deep respect, and the respect of every member of my staff. I can think of no one who had more respect than Barb Osborne. She was very much a part of that extended family known as the "Baucus office."

Above all else, Barb understood that public service really all boils down to one thing, and that is service: Service to people. She was a woman of tremendous kindness, of deep compassion, who treated every Montanan who called upon my office with courtesy and respect and kindness.

At the same time, the community of Great Falls could not have a greater advocate. She cared deeply about her community. I can tell you time and time again, she would talk to me, call me about matters very important to Great Falls. She helped make Great Falls a much better place.

On a personal note, I will always remember Barb for her great sense of humor and easygoing manner. Barb always had a smile, was always comfortable with people, always open to people, always gracious. I can see her now sitting in my office at her desk in Great Falls, on the phone with someone, meeting someone who came into my office, always there with an open hand to try to help.

She also spoke her mind. She was a westerner. I know, Madam President, as a westerner, you know that we in the Rocky Mountain West and the Pacific West are very proud of speaking our minds. She had deep common sense. She was simply somebody I enjoyed and everyone who knew her enjoyed spending time with her.

Along with Glen, Barb leaves behind a wonderful family of four children and five grandchildren. I extend to them, on behalf of myself, my wife Wanda, my son Zeno, and our whole office, our deep condolences. On behalf of myself and the thousands of Montanans Barb helped over the years, I can only say she will be very deeply missed.

Thank you, Madam President.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAUCUS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. MOSELEY-BRAUN). Without objection, it is so ordered.

PRINTING OF SENATE DOCUMENT

Mr. BAUCUS. Madam President, I ask unanimous consent that the Senate amendment to H.R. 1804, "Goals 2000: Educate America Act," passed by the Senate on February 8, 1994, be printed as passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—Titles I through IV of this Act may be cited as the "Goals 2000: Educate America Act".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Purpose.
Sec. 3. Definitions.

TITLE I—NATIONAL EDUCATION GOALS

Sec. 101. Purpose.
Sec. 102. National education goals.

TITLE II—NATIONAL EDUCATION REFORM LEADERSHIP, STANDARDS, AND ASSESSMENTS

PART A—NATIONAL EDUCATION GOALS PANEL

Sec. 201. Purpose.
Sec. 202. National education goals panel.
Sec. 203. Duties.
Sec. 204. Powers of the goals panel.
Sec. 205. Administrative provisions.
Sec. 206. Director and staff; experts and consultants.
Sec. 207. Early childhood assessment.

PART B—NATIONAL EDUCATION STANDARDS AND IMPROVEMENT COUNCIL

Sec. 211. Purpose.
Sec. 212. National Education Standards and Improvement Council.
Sec. 213. Duties.
Sec. 214. Annual reports.
Sec. 215. Powers of the council.
Sec. 216. Administrative provisions.
Sec. 217. Director and staff; experts and consultants.
Sec. 218. Opportunity-to-learn development grants.

PART C—LEADERSHIP IN EDUCATIONAL TECHNOLOGY

Sec. 221. Purposes.
Sec. 222. Federal leadership.
Sec. 223. Office of Educational Technology.
Sec. 224. Uses of funds.
Sec. 225. Non-Federal share.
Sec. 226. Office of Training Technology Transfer.

PART D—AUTHORIZATION OF APPROPRIATIONS

Sec. 231. Authorization of appropriations.

TITLE III—STATE AND LOCAL EDUCATION SYSTEMIC IMPROVEMENT

Sec. 301. Findings.
Sec. 302. Purpose.
Sec. 303. Authorization of appropriations.
Sec. 304. Allotment of funds.
Sec. 305. State applications.
Sec. 306. State improvement plans.
Sec. 307. Secretary's review of applications; payments.
Sec. 308. State use of funds.
Sec. 309. Subgrants for local reform and professional development.
Sec. 310. Availability of information and training.
Sec. 311. Waivers of statutory and regulatory requirements.
Sec. 312. Progress reports.
Sec. 313. National leadership.
Sec. 314. Assistance to the outlying areas and to the Secretary of the Interior.
Sec. 315. Clarification regarding State standards and assessments.
Sec. 316. State planning for improving student achievement through integration of technology into the curriculum.

TITLE IV—MISCELLANEOUS

Sec. 401. Public schools.
Sec. 402. Construction.
Sec. 403. Kalid Abdul Mohammed.
Sec. 404. Prohibition on Federal mandates, direction, and control.
Sec. 405. School prayer.
Sec. 406. Daily silence for students.
Sec. 407. Funding for the Individuals With Disabilities Education Act.
Sec. 408. National Board for Professional Teaching Standards.
Sec. 409. Forgiveness of certain overpayments.
Sec. 410. Study of Goals 2000 and students with disabilities.
Sec. 411. Mentoring, peer counseling and peer tutoring.
Sec. 412. Content and performance standards.
Sec. 413. State-sponsored higher education trust fund savings plan.
Sec. 414. Amendments to summer youth employment and training program.
Sec. 415. State and local government control of education.
Sec. 416. Protection of pupils.
Sec. 417. Contraceptive devices.
Sec. 418. Educational agencies not denied funds for adopting constitutional policy relative to prayer in schools.

TITLE V—NATIONAL SKILL STANDARDS BOARD

Sec. 501. Short title.
Sec. 502. Purpose.
Sec. 503. Establishment of National Board.
Sec. 504. Functions of the National Board.
Sec. 505. Deadlines.
Sec. 506. Reports.
Sec. 507. Authorization of appropriations.
Sec. 508. Definitions.
Sec. 509. Sunset provision.

TITLE VI—SAFE SCHOOLS

PART A—SAFE SCHOOLS PROGRAM

Sec. 601. Short title; statement of purpose.
Sec. 602. Safe schools program authorized.
Sec. 603. Eligible applicants.
Sec. 604. Applications and plans.
Sec. 605. Use of funds.
Sec. 606. National leadership.
Sec. 607. National cooperative education statistics system.
Sec. 608. Coordination of Federal assistance.
Sec. 609. Effective date.

PART B—STATE LEADERSHIP ACTIVITIES TO PROMOTE SAFE SCHOOLS

Sec. 621. State leadership activities to promote safe schools program.

TITLE VII—MIDNIGHT BASKETBALL LEAGUE TRAINING AND PARTNERSHIP

Sec. 701. Short title.
Sec. 702. Grants for midnight basketball league training and partnership programs.

Sec. 703. Public housing midnight basketball league programs.

TITLE VIII—YOUTH VIOLENCE IN SCHOOLS AND COMMUNITIES

Sec. 801. Purpose.
Sec. 802. Findings.
Sec. 803. Provisions.

TITLE IX—EDUCATIONAL RESEARCH AND IMPROVEMENT

Sec. 901. Short title.

PART A—OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT

Sec. 911. Repeal.
Sec. 912. Office of Educational Research and Improvement.
Sec. 913. Savings provisions.
Sec. 914. Field readers.

PART B—EDUCATIONAL IMPROVEMENT PROGRAMS

SUBPART 1—INTERNATIONAL EDUCATION PROGRAM

Sec. 921. International Education Program.

SUBPART 2—AMENDMENTS TO THE CARL D. PERKINS VOCATIONAL AND APPLIED TECHNOLOGY EDUCATION ACT

Sec. 931. National Occupational Information Coordinating Committee.

SUBPART 3—ELEMENTARY MATHEMATICS AND SCIENCE EQUIPMENT PROGRAM

Sec. 941. Short title.
Sec. 942. Statement of purpose.
Sec. 943. Program authorized.
Sec. 944. Allotments of funds.
Sec. 945. State application.
Sec. 946. Local application.
Sec. 947. Participation of private schools.
Sec. 948. Program requirements.
Sec. 949. Federal administration.
Sec. 950. Authorization of appropriations.

SUBPART 4—MEDIA INSTRUCTION

Sec. 951. Media instruction.

SUBPART 5—STAR SCHOOLS

Sec. 961. Star schools.

SUBPART 6—OFFICE OF COMPREHENSIVE SCHOOL HEALTH EDUCATION

Sec. 971. Office of Comprehensive School Health Education.

SUBPART 7—MINORITY-FOCUSED CIVICS EDUCATION

Sec. 981. Short title.
Sec. 982. Purposes.
Sec. 983. Grants authorized; authorization of appropriations.
Sec. 984. Definitions.
Sec. 985. Applications.

PART C—DEFINITIONS

Sec. 991. Definitions.

TITLE X—PARENTS AS TEACHERS

Sec. 1001. Findings.
Sec. 1002. Statement of purpose.
Sec. 1003. Definitions.
Sec. 1004. Program established.
Sec. 1005. Program requirements.
Sec. 1006. Special rules.
Sec. 1007. Parents As Teachers Centers.
Sec. 1008. Evaluations.
Sec. 1009. Application.
Sec. 1010. Payments and Federal share.
Sec. 1011. Authorization of appropriations.
Sec. 1012. Home instruction program for preschool youngsters.

TITLE XI—GUN-FREE SCHOOLS

Sec. 1101. Short title.
Sec. 1102. Gun-free requirements in elementary and secondary schools.

TITLE XII—ENVIRONMENTAL TOBACCO SMOKE

Sec. 1201. Short title.
Sec. 1202. Findings.
Sec. 1203. Definitions.
Sec. 1204. Nonsmoking policy for children's services.
Sec. 1205. Technical assistance.
Sec. 1206. Federally funded programs.
Sec. 1207. Report by the Administrator.
Sec. 1208. Preemption.

SEC. 2. PURPOSE.

It is the purpose of this Act to provide a framework for meeting the National Education Goals described in title I of this Act by—

(1) promoting coherent, nationwide, systemic education reform;

(2) improving the quality of teaching and learning in the classroom;

(3) defining appropriate and coherent Federal, State, and local roles and responsibilities for education reform;

(4) establishing valid, reliable, and fair mechanisms for—

(A) building a broad national consensus on United States education reform;

(B) assisting in the development and certification of high-quality, internationally competitive content and student performance standards;

(C) assisting in the development and certification of opportunity to learn standards; and

(D) assisting in the development and certification of high-quality assessment measures that reflect the internationally competitive content and student performance standards;

(5) supporting new initiatives at the Federal, State, local, and school levels to provide equal educational opportunity for all students to meet high standards; and

(6) providing a framework for the reauthorization of all Federal education programs by—

(A) creating a vision of excellence and equity that will guide all Federal education and related programs;

(B) providing for the establishment of high-quality, internationally competitive content and student performance standards that all students, including disadvantaged students, students with diverse racial, ethnic, and cultural backgrounds, students with disabilities, students with limited-English proficiency, and academically talented students, will be expected to achieve;

(C) providing for the establishment of high quality, internationally competitive opportunity-to-learn standards that all States, local educational agencies, and schools should achieve;

(D) encouraging and enabling all State educational agencies and local educational agencies to develop comprehensive improvement plans that will provide a coherent framework for the implementation of reauthorized Federal education and related programs in an integrated fashion that effectively educates all children;

(E) providing resources to help individual schools, including schools serving students with high needs, develop and implement comprehensive improvement plans; and

(F) promoting the use of technology to enable all students to achieve the National Education Goals.

SEC. 3. DEFINITIONS.

As used in this Act (other than in titles V and IX)—

(1) the term "all children" means children from all backgrounds and circumstances, including disadvantaged children, children with diverse racial, ethnic, and cultural backgrounds, children with disabilities, children with limited-English proficiency, children who have dropped out of school, and academically talented children;

(2) the term "all students" means students from a broad range of backgrounds and circumstances, including disadvantaged students, students with diverse racial, ethnic, and cultural backgrounds, students with disabilities, students with limited-English proficiency, students who have dropped out of school, and academically talented students;

(3) the term "assessment" means the overall process and instrument used to measure student attainment of content standards, except that such term need not include the discrete items that comprise each assessment;

(4) the term "content standards" means broad descriptions of the knowledge and skills students should acquire in a particular subject area;

(5) the term "Governor" means the chief executive of the State;

(6) the term "intergenerational mentoring program" means a program that—

(A) matches adult mentors, with a particular emphasis on older mentors, with elementary and secondary school age children for the purposes of sharing experience and skills;

(B) is operated by a nonprofit organization or governmental agency;

(C) provides opportunities for older individuals to be involved in the design and operation of the program; and

(D) has established, written mechanisms for screening mentors, orienting mentors and proteges, matching mentors and proteges, and monitoring mentoring relationships;

(7) the terms "interoperable" and "interoperability" refers to the ability to easily exchange data with, and connect to, other hardware and software in order to provide the greatest accessibility for all students;

(8) the term "local educational agency" has the meaning given such term in section 1471(12) of the Elementary and Secondary Education Act of 1965, except that such term may include a public school council if such council is mandated by State law;

(9) the term "opportunity-to-learn standards" means the conditions of teaching and learning necessary for all students to have a fair opportunity to learn, including ways of measuring the extent to which such standards are being met;

(10) the term "outlying areas" means Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, Palau (until the effective date of the Compact of Free Association with the Government of Palau), and the Freely Associated States;

(11) the term "performance standards" means concrete examples and explicit definitions of what students have to know and be able to do to demonstrate that such students are proficient in the skills and knowledge framed by content standards;

(12) the term "public telecommunication entity" has the same meaning given to such term in section 397(12) of the Communications Act of 1934;

(13) the term "related services" includes the types of services described in section 602(17) of the Individuals with Disabilities Education Act;

(14) the term "school" means a public school that is under the authority of the State educational agency or a local educational agency or, for the purpose of carrying out section 314(b), a school that is operated or funded by the Bureau of Indian Affairs;

(15) the term "Secretary", unless otherwise specified, means the Secretary of Education;

(16) the term "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico;

(17) the term "State educational agency" has the same meaning given such term in section 1471(23) of the Elementary and Secondary Education Act of 1965; and

(18) the term "technology" means the latest state-of-the-art technology products and services, such as closed circuit television systems, educational television or radio programs and services, cable television, satellite, copper and fiber optic transmission, computer, video and audio laser and CD-ROM disks, and video and audio tapes, or other technologies.

TITLE I—NATIONAL EDUCATION GOALS

SEC. 101. PURPOSE.

It is the purpose of this title to establish National Education Goals.

SEC. 102. NATIONAL EDUCATION GOALS.

The Congress declares the National Education Goals are as follows:

(1) SCHOOL READINESS.—

(A) GOAL.—By the year 2000, all children in America will start school ready to learn.

(B) OBJECTIVES.—The objectives for the goal described in subparagraph (A) are that—

(i) all children, including disadvantaged and disabled children, will have access to high-quality and developmentally appropriate preschool programs that help prepare children for school;

(ii) every parent in the United States will be a child's first teacher and devote time each day to helping such parent's preschool child learn, and parents will have access to the training and support parents need; and

(iii) children will receive the nutrition, physical activity experiences, and health care needed to arrive at school with healthy minds and bodies, and the number of low-birthweight babies will be significantly reduced through enhanced prenatal health systems.

(2) SCHOOL COMPLETION.—

(A) GOAL.—By the year 2000, the high school graduation rate will increase to at least 90 percent.

(B) OBJECTIVES.—The objectives for the goal described in subparagraph (A) are that—

(i) the Nation must dramatically reduce its high school dropout rate, and 75 percent of high school students who do drop out of school will successfully complete a high school degree or its equivalent; and

(ii) the gap in high school graduation rates between United States students from minority backgrounds and their nonminority counterparts will be eliminated.

(3) STUDENT ACHIEVEMENT AND CITIZENSHIP.—

(A) GOAL.—By the year 2000, United States students will leave grades 4, 8, and 12 having demonstrated competency over challenging subject matter including English, mathematics, science, foreign languages, civics and government, economics, arts, history, and geography, and every school in the United States will ensure that all students learn to use their minds well, so students may be prepared for responsible citizenship, further learning, and productive employment in our Nation's modern economy.

(B) OBJECTIVES.—The objectives for the goal described in subparagraph (A) are that—

(i) the academic performance of elementary and secondary students will increase significantly in every quartile, and the distribution of minority students in each quartile will more closely reflect the student population as a whole;

(ii) the percentage of students who demonstrate the ability to reason, solve problems, apply knowledge, and write and communicate effectively will increase substantially;

(iii) all students will be involved in activities that promote and demonstrate good citizenship, good health, community service, and personal responsibility;

(iv) all students will have access to physical education and health education to ensure all students are healthy and fit;

(v) the percentage of students who are competent in more than one language will substantially increase; and

(vi) all students will be knowledgeable about the diverse heritage of our Nation and about the world community.

(4) MATHEMATICS AND SCIENCE.—

(A) GOAL.—By the year 2000, United States students will be first in the world in mathematics and science achievement.

(B) OBJECTIVES.—The objectives for the goal described in subparagraph (A) are that—

(i) mathematics and science education, including the metric system of measurement, will be strengthened throughout the educational system, especially in the early grades;

(ii) the number of teachers with a substantive background in mathematics and science will increase by 50 percent from the number of such teachers in 1992; and

(iii) the number of United States undergraduate and graduate students, especially women and minorities, who complete degrees in mathematics, science, and engineering will increase significantly.

(5) ADULT LITERACY AND LIFELONG LEARNING.—

(A) GOAL.—By the year 2000, every adult United States citizen will be literate and will possess the knowledge and skills necessary to compete in a global economy and exercise the rights and responsibilities of citizenship.

(B) OBJECTIVES.—The objectives for the goal described in subparagraph (A) are that—

(i) every major United States business will be involved in strengthening the connection between education and work;

(ii) all workers will have the opportunity to acquire the knowledge and skills, from basic to highly technical, needed to adapt to emerging new technologies, work methods, and markets through public and private educational, vocational, technical, workplace, or other programs;

(iii) the number of quality programs, including programs at libraries, that are designed to serve more effectively the needs of the growing number of part-time and mid-career students, will increase substantially;

(iv) the proportion of qualified students, especially minorities, who enter college, who complete at least 2 years of college, and who complete their degree programs, will increase substantially; and

(v) the proportion of college graduates who demonstrate an advanced ability to think critically, communicate effectively, and solve problems will increase substantially.

(6) SAFE, DISCIPLINED, AND ALCOHOL- AND DRUG-FREE SCHOOLS.—

(A) GOAL.—By the year 2000, every school in the United States will be free of drugs, firearms, alcohol, and violence and will offer a disciplined environment conducive to learning.

(B) OBJECTIVES.—The objectives for the goal described in subparagraph (A) are that—

(i) every school will implement a firm and fair policy on use, possession, and distribution of drugs and alcohol;

(ii) parents, businesses, governmental and community organizations will work together to ensure that schools provide a healthy environment and are a safe haven for all children;

(iii) every school district will develop a sequential, comprehensive kindergarten through twelfth grade drug and alcohol prevention education program;

(iv) drug and alcohol curriculum should be taught as an integral part of sequential, comprehensive health education;

(v) community-based teams should be organized to provide students and teachers with needed support; and

(vi) every school should work to eliminate sexual harassment.

(7) PARENTAL PARTICIPATION.—

(A) GOAL.—By the year 2000, every school will promote partnerships that will increase parental involvement and participation in promoting the social, emotional and academic growth of children.

(B) OBJECTIVES.—The objectives for the Goal established under subparagraph (A) are that—

(i) every State will develop policies to assist local schools and school districts to establish programs for increasing partnerships that respond to the varying needs of parents and the home, including parents of children who are disadvantaged or bilingual, or parents of children with disabilities;

(ii) every school will actively engage parents and families in a partnership which supports the academic work of children at home and shared educational decisionmaking at school; and

(iii) parents and families will help to ensure that schools are adequately supported and will hold schools and teachers to high standards of accountability.

(8) TEACHER EDUCATION AND PROFESSIONAL DEVELOPMENT.—

(A) GOAL.—By the year 2000, the Nation's teaching force will have access to programs for the continued improvement of their professional skills and the opportunity to acquire the knowledge and skills needed to instruct and prepare all American students for the next century.

(B) OBJECTIVES.—The objectives for the goal established under subparagraph (A) are that—

(i) all teachers will have access to preservice teacher education and continuing professional development activities that will provide such teachers with the knowledge and skills needed to teach to an increasingly diverse student population with a variety of educational, social, and health needs;

(ii) all teachers will have continuing opportunities to acquire additional knowledge and skills needed to teach challenging subject matter and to use emerging new methods, forms of assessment, and technologies;

(iii) States and school districts will create integrated strategies to attract, recruit, prepare, retrain, and support the continued professional development of teachers, administrators, and other educators, so that there is a highly talented work force of professional educators to teach challenging subject matter; and

(iv) partnerships will be established, whenever possible, among local educational agencies, institutions of higher education, parents, and local labor, business, and professional associations to provide and support programs for the professional development of educators.

TITLE II—NATIONAL EDUCATION REFORM LEADERSHIP, STANDARDS, AND ASSESSMENTS

PART A—NATIONAL EDUCATION GOALS PANEL

SEC. 201. PURPOSE.

It is the purpose of this part to establish a bipartisan mechanism for—

(1) building a national consensus for education improvement;

(2) reporting on progress toward achieving the National Education Goals;

(3) periodically reviewing the goals and objectives described in title I and recommending adjustments to such goals and objectives, as needed, in order to guarantee education reform that continues to provide guidance for quality, world class education for all students; and

(4) reviewing and approving the voluntary national content standards, voluntary national student performance standards and voluntary national opportunity-to-learn standards certified by the National Education Standards and Improvement Council, as well as the criteria for the certification of such standards, and the criteria for the certification of State assessments or systems of assessments certified by such Council.

SEC. 202. NATIONAL EDUCATION GOALS PANEL.

(a) ESTABLISHMENT.—There is established in the executive branch a National Education Goals Panel (hereafter in this title referred to as the "Goals Panel").

(b) COMPOSITION.—The Goals Panel shall be composed of 18 members (hereafter in this part referred to as "members"), including—

(1) two members appointed by the President;

(2) eight members who are Governors, 3 of whom shall be from the same political party as the President and 5 of whom shall be of the opposite political party of the President, appointed by the Chairperson and Vice Chairperson of the National Governors' Association, with the Chairperson and Vice Chairperson each appointing representatives of such Chairperson's or Vice Chairperson's respective political party, in consultation with each other;

(3) four Members of the Congress, of whom—

(A) one member shall be appointed by the Majority Leader of the Senate from among the Members of the Senate;

(B) one member shall be appointed by the Minority Leader of the Senate from among the Members of the Senate;

(C) one member shall be appointed by the Majority Leader of the House of Representatives from among the Members of the House of Representatives; and

(D) one member shall be appointed by the Minority Leader of the House of Representatives from among the Members of the House of Representatives; and

(4) four members of State legislatures appointed by the President of the National Conference of State Legislatures, of whom 2 shall be of the same political party as the President of the United States.

(c) SPECIAL APPOINTMENT RULES.—

(1) IN GENERAL.—The members appointed pursuant to subsection (b)(2) shall be appointed as follows:

(A) If the Chairperson of the National Governors' Association is from the same political party as the President, the Chairperson shall appoint 3 individuals and the Vice Chairperson of such association shall appoint 5 individuals.

(B) If the Chairperson of the National Governors' Association is from the opposite political party as the President, the Chairperson shall appoint 5 individuals and the Vice Chairperson of such association shall appoint 3 individuals.

(2) SPECIAL RULE.—If the National Governors' Association has appointed a panel that meets the requirements of subsections (b) and (c), except for the requirements of paragraph (4) of subsection (b), prior to the date of enactment of this Act, then the members serving on such panel shall be deemed to be in compliance with the provisions of such subsections and shall not be required to be reappointed pursuant to such subsections.

(d) TERMS.—The terms of service of members shall be as follows:

(1) PRESIDENTIAL APPOINTEES.—Members appointed under subsection (b)(1) shall serve at the pleasure of the President.

(2) GOVERNORS.—Members appointed under paragraph (2) of subsection (b) shall serve a 2-year term, except that the initial appointments under such paragraph shall be made to ensure staggered terms with one-half of such members' terms concluding every 2 years.

(3) CONGRESSIONAL APPOINTEES AND STATE LEGISLATORS.—Members appointed under paragraphs (3) and (4) of subsection (b) shall serve for 2-year terms.

(e) DATE OF APPOINTMENT.—The initial members shall be appointed not later than 60 days after the date of enactment of this Act.

(f) INITIATION.—The Goals Panel may begin to carry out its duties under this part when 10 members of the Goals Panel have been appointed.

(g) VACANCIES.—A vacancy on the Goals Panel shall not affect the powers of the Goals Panel, but shall be filled in the same manner as the original appointment.

(h) TRAVEL.—Each member may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for each day the member is engaged in the performance of duties for the Goals Panel away from the home or regular place of business of the member.

(i) CHAIRPERSON.—

(1) IN GENERAL.—The members shall select a Chairperson from among the members described in paragraph (2) of subsection (b).

(2) TERM AND POLITICAL AFFILIATION.—The Chairperson of the Goals Panel shall serve a 1-year term and shall alternate between political parties.

SEC. 203. DUTIES.

(a) IN GENERAL.—The Goals Panel shall—

(1) report on the progress the Nation and the States are making toward achieving the National Education Goals described in title I, including issuing an annual national report card;

(2) submit to the President nominations for appointment to the National Education Standards and Improvement Council in accordance with subsections (b) and (c) of section 212;

(3) review and approve (or explain why approval is withheld) the—

(A) criteria developed by the National Education Standards and Improvement Council for the certification of content and student performance standards, assessments or systems of assessments, and opportunity-to-learn standards; and

(B) voluntary national content standards, voluntary national student performance standards and voluntary national opportunity to learn standards certified by such Council;

(4) report on promising or effective actions being taken at the national, State, and local levels, and in the public and private sectors, to achieve the National Education Goals; and

(5) help build a nationwide, bipartisan consensus for the reforms necessary to achieve the National Education Goals.

(b) NATIONAL REPORT CARD.—

(1) IN GENERAL.—The Goals Panel shall annually prepare and submit to the President, the Secretary, the appropriate committees of the Congress, and the Governor of each State a national report card that shall—

(A) report on the progress of the United States toward achieving the National Education Goals; and

(B) identify actions that should be taken by Federal, State, and local governments to enhance progress toward achieving the National Education Goals.

(2) FORM; DATA.—National report cards shall be presented in a form, and include data, that is understandable to parents and the general public.

SEC. 204. POWERS OF THE GOALS PANEL.

(a) HEARINGS.—

(1) IN GENERAL.—The Goals Panel shall, for the purpose of carrying out this part, conduct such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Goals Panel considers appropriate.

(2) REPRESENTATION.—In carrying out this part, the Goals Panel shall conduct hearings to receive reports, views, and analyses of a broad spectrum of experts and the public on the establishment of voluntary national content, voluntary national student performance standards, voluntary national opportunity-to-learn standards, and State assessments or systems of assessments described in section 213(e).

(b) INFORMATION.—The Goals Panel may secure directly from any department or agency of the Federal Government information necessary to enable the Goals Panel to carry out this part. Upon request of the Chairperson of the Goals Panel, the head of any such department or agency shall furnish such information to the Goals Panel to the extent permitted by law.

(c) POSTAL SERVICES.—The Goals Panel may use the United States mail in the same manner and under the same conditions as departments and agencies of the Federal Government.

(d) GIFTS; USE OF FACILITIES.—The Goals Panel may—

(1) accept, administer, and utilize gifts or donations of services, money, or property, whether real or personal, tangible or intangible; and

(2) use the research, equipment, services, and facilities of any department, agency or instrumentality of the Federal Government, or of any State or political subdivision thereof with the consent of such department, agency, instrumentality, State or subdivision, respectively.

(e) ADMINISTRATIVE ARRANGEMENTS AND SUPPORT.—

(1) IN GENERAL.—The Secretary shall provide to the Goals Panel, on a reimbursable basis, such administrative support services as the Goals Panel may request.

(2) CONTRACTS AND OTHER ARRANGEMENTS.—The Secretary shall, to the extent appropriate, and on a reimbursable basis, make contracts and other arrangements that are requested by the Goals Panel to help the Goals Panel compile and analyze data or carry out other functions necessary to the performance of the Goals Panel's responsibilities.

SEC. 205. ADMINISTRATIVE PROVISIONS.

(a) MEETINGS.—The Goals Panel shall meet on a regular basis, as necessary, at the call of the Chairperson of the Goals Panel or a majority of the members of the Goals Panel.

(b) QUORUM.—A majority of the members shall constitute a quorum for the transaction of business.

(c) VOTING AND FINAL DECISIONS.—

(1) IN GENERAL.—No individual may vote, or exercise any of the duties or powers of a member of the Goals Panel, by proxy.

(2) FINAL DECISIONS.—

(A) In making final decisions of the Goals Panel with respect to the exercise of its duties and powers the Goals Panel shall operate on the principle of consensus among the members of the Goals Panel.

(B) If a vote of the membership of the Goals Panel is required to reach a final decision with respect to the exercise of its duties and powers, then such final decision shall be made by a three-fourths vote of the members of the Goals Panel who are present and voting.

(d) PUBLIC ACCESS.—The Goals Panel shall ensure public access to the proceedings of the Goals Panel (other than proceedings, or portions of proceedings, relating to internal personnel and management matters) and shall make available to the public, at reasonable cost, transcripts of such proceedings.

SEC. 206. DIRECTOR AND STAFF; EXPERTS AND CONSULTANTS.

(a) DIRECTOR.—The Chairperson of the Goals Panel, without regard to the provisions of title 5, United States Code, relating to the appointment and compensation of officers or employees of the United States, shall appoint a Director to be paid at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule.

(b) APPOINTMENT AND PAY OF EMPLOYEES.—

(1) IN GENERAL.—(A) The Director may appoint not more than 4 additional employees to serve as staff to the Goals Panel without regard to the provisions of title 5, United States Code, governing appointments in the competitive service.

(B) The employees appointed under subparagraph (A) may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, but shall not be paid a rate that exceeds the maximum rate of basic pay payable for GS-15 of the General Schedule.

(2) ADDITIONAL EMPLOYEES.—The Director may appoint additional employees to serve as staff to the Goals Panel in accordance with title 5, United States Code.

(c) EXPERTS AND CONSULTANTS.—The Goals Panel may procure temporary and intermittent services of experts and consultants under section 3109(b) of title 5, United States Code.

(d) STAFF OF FEDERAL AGENCIES.—Upon the request of the Goals Panel, the head of any department or agency of the United States may detail any of the personnel of such department to the Goals Panel to assist the Goals Panel in carrying out its responsibilities under this part.

SEC. 207. EARLY CHILDHOOD ASSESSMENT.

(a) IN GENERAL.—The Goals Panel shall support the work of its Resource and Technical Planning Groups on School Readiness (hereafter in this subsection referred to as the "Groups") to improve the methods of assessing the readiness of all children for school.

(b) ACTIVITIES.—The Groups shall—

(1) develop a model of elements of school readiness that address a broad range of early childhood developmental needs, including the needs of children with disabilities;

(2) create clear guidelines regarding the nature, functions, and uses of early childhood assessments, including norm-referenced assessments and assessment formats that are appropriate for use in culturally and linguistically diverse communities, based on model elements of school readiness;

(3) monitor and evaluate early childhood assessments, including the ability of existing assessments to provide valid information on the readiness of children for school; and

(4) monitor and report on the long-term collection of data on the status of young children to improve policy and practice, including the need for new sources of data necessary to assess the broad range of early childhood developmental needs.

(c) ADVICE.—The Groups shall advise and assist the Congress, the Secretary, the Goals Panel, and others regarding how to improve the assessment of young children and how such assessments can improve services to children.

(d) REPORT.—The Goals Panel shall provide reports on the work of the Groups to the Congress, the Secretary, and the public.

PART B—NATIONAL EDUCATION STANDARDS AND IMPROVEMENT COUNCIL

SEC. 211. PURPOSE.

It is the purpose of this part to establish a mechanism to—

(1) certify voluntary national content standards and voluntary national student performance standards that define what all students should know and be able to do;

(2) certify challenging State content standards and challenging State student performance standards submitted by States on a voluntary basis, if such standards are comparable in rigor and quality to the voluntary national content standards and voluntary national student performance standards certified by the National Education Standards and Improvement Council;

(3) certify voluntary national opportunity-to-learn standards that describe the conditions of teaching and learning necessary for all students to have a fair opportunity to achieve the knowledge and skills described in the voluntary national content standards and the voluntary national student performance standards certified by the National Education Standards and Improvement Council;

(4) certify comprehensive State opportunity-to-learn standards submitted by States on a voluntary basis that—

(A) describe the conditions of teaching and learning necessary for all students to have a fair opportunity to learn; and

(B) address the elements described in section 213(c)(3); and

(5) certify assessments or systems of assessments submitted by States or groups of States on a voluntary basis, if such assessments or systems—

(A) are aligned with and support State content standards certified by such Council; and

(B) are valid, reliable, and fair when used for their intended purposes.

SEC. 212. NATIONAL EDUCATION STANDARDS AND IMPROVEMENT COUNCIL.

(a) ESTABLISHMENT.—There is established in the executive branch a National Education Standards and Improvement Council (hereafter in this part referred to as the "Council").

(b) COMPOSITION.—The Council shall be composed of 19 members (hereafter in this part referred to as "members") appointed by the President from nominations submitted by the Goals Panel.

(c) QUALIFICATIONS.—

(1) IN GENERAL.—The members of the Council shall include—

(A) five professional educators appointed from among elementary and secondary classroom teachers, preschool educators, related services personnel, and other school-based professionals, State or local educational agency administrators, or other educators;

(B) four representatives of business and industry or postsecondary educational institutions, including at least 1 representative of business and industry who is also a member of the National Skill Standards Board established pursuant to title V;

(C) five representatives of the public, appointed from among representatives of advocacy, civil rights, and disability groups, parents, civic leaders, tribal governments, or State or local education policymakers (including members of State or local school boards); and

(D) five education experts, appointed from among experts in measurement and assessment, curriculum, school finance and equity, or school reform.

(2) NOMINATIONS.—The Goals Panel shall submit to the President at least 15 nominations for each of the 4 categories of appointment described in subparagraphs (A) through (D) of paragraph (1).

(3) REPRESENTATION.—To the extent feasible, the membership of the Council shall—

(A) be geographically representative of the United States and reflect the diversity of the United States with respect to race, ethnicity, gender and disability characteristics; and

(B) include persons from each of the 4 categories described in subparagraphs (A) through (D) of paragraph (1) who have expertise in the education of subgroups of students who are at risk of school failure.

(d) TERMS.—

(1) IN GENERAL.—Members shall be appointed for 3-year terms, with no member serving more than 2 consecutive terms.

(2) INITIAL TERMS.—The President shall establish initial terms for members of 1, 2, or 3 years in order to establish a rotation in which one-third of the members are selected each year.

(e) DATE OF APPOINTMENT.—The initial members shall be appointed not later than 120 days after the date of enactment of this Act.

(f) INITIATION.—The Council shall begin to carry out the duties of the Council under this part when all 19 members have been appointed.

(g) RETENTION.—In order to retain an appointment to the Council, a member shall attend at least two-thirds of the scheduled meetings, and hearings when appropriate, of the Council in any given year.

(h) VACANCY.—A vacancy on the Council shall not affect the powers of the Council, but shall be filled in the same manner as the original appointment.

(i) COMPENSATION.—Members who are not regular full-time employees of the United States, while attending meetings or hearings of the Council, may be provided compensation at a rate fixed by the Secretary, but not exceeding the maximum rate of basic pay payable for GS-15 of the General Schedule.

(j) TRAVEL.—Each member of the Council may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for each day the member is engaged in the performance of duties for the Council away from the home or regular place of business of the member.

(k) OFFICERS.—The members shall select officers of the Council from among the members. The officers of the Council shall serve for 1-year terms.

(l) CONFLICT OF INTEREST.—No member, staff, expert, or consultant assisting the Council shall be appointed to the Council—

(1) if such member, staff, expert, or consultant has a fiduciary interest in an educational assessment; and

(2) unless such member, staff, expert, or consultant agrees that such member, staff, expert, or consultant, respectively, will not obtain such an interest for a period of 2 years from the date of termination of such member's service on the Council.

SEC. 213. DUTIES.

(a) VOLUNTARY NATIONAL CONTENT STANDARDS; VOLUNTARY NATIONAL STUDENT PERFORMANCE STANDARDS.—

(1) IN GENERAL.—The Council, upon recommendation from a working group on voluntary national content standards, shall—

(A) identify areas in which voluntary national content standards need to be developed;

(B) certify voluntary national content standards and voluntary national student performance standards that define what all students should know and be able to do; and

(C) forward such voluntary national content standards and voluntary national student performance standards to the Goals Panel for approval.

(2) CRITERIA.—(A) The Council, upon recommendation from a working group on voluntary national content standards and voluntary national student performance standards, shall—

(i) identify and develop criteria to be used for certifying the voluntary national content standards and voluntary national student performance standards; and

(ii) before applying such criteria, forward such criteria to the Goals Panel for approval.

(B) The criteria developed by the Council shall address—

(i) the extent to which the proposed standards are internationally competitive and comparable to the best standards in the world;

(ii) the extent to which the proposed voluntary national content standards and voluntary national student performance standards reflect the best available knowledge about how all students learn and about how a content area can be most effectively taught;

(iii) the extent to which the proposed voluntary national content standards and voluntary national student performance standards have been developed through an open and public process that provides for input and involvement of all relevant parties, including teachers, related services personnel, and other professional educators, employers and postsecondary education institutions, curriculum and subject matter specialists, parents, secondary school students, and the public; and

(iv) other factors that the Council deems appropriate.

(C) In developing the criteria, the Council shall work with entities that are developing, or have already developed, content standards, and any other entities that the Council deems appropriate, to identify appropriate certification criteria.

(b) VOLUNTARY STATE CONTENT STANDARDS; VOLUNTARY STATE STUDENT PERFORMANCE STANDARDS.—The Council may certify challenging State content standards and challenging State student performance standards presented on a voluntary basis by a State or group of States, if such standards are comparable in rigor and quality to the voluntary national content standards and voluntary national student performance standards certified by the Council.

(c) VOLUNTARY NATIONAL OPPORTUNITY-TO-LEARN STANDARDS.—

(1) IN GENERAL.—The Council, upon recommendation from a working group on voluntary national opportunity-to-learn standards, shall certify exemplary, voluntary national opportunity-to-learn standards that will establish a basis for providing all students a fair opportunity to achieve the knowledge and skills described in the voluntary national content standards certified by the Council. In carrying out the preceding sentence the Council and the working group are authorized to consider proposals for voluntary national opportunity-to-learn standards from groups other than those that receive grants under section 218.

(2) REQUIREMENT.—The voluntary national opportunity-to-learn standards shall be sufficiently general to be used by any State without unduly restricting State and local prerogatives regarding instructional methods to be employed.

(3) ELEMENTS ADDRESSED.—The voluntary national opportunity-to-learn standards certified by the Council shall address—

(A) the quality and availability of curricula, instructional materials, and technologies;

(B) the capability of teachers to provide high-quality instruction to meet diverse learning needs in each content area;

(C) the extent to which teachers and administrators have ready and continuing access to professional development, including the best knowledge about teaching, learning, and school improvement;

(D) the extent to which curriculum, instructional practices, and assessments are aligned to content standards;

(E) the extent to which school facilities provide a safe and secure environment for learning and instruction and have the requisite libraries, laboratories, and other resources necessary to provide an opportunity to learn; and

(F) other factors that the Council deems appropriate to ensure that all students receive a fair opportunity to achieve the knowledge and skills described in the voluntary national content standards and the voluntary national student performance standards certified by the Council.

(4) ADDITIONAL DUTIES.—In carrying out this subsection, the Council shall—

(A) identify what other countries with rigorous content standards do to—

(i) provide their children with opportunities to learn;

(ii) prepare their teachers; and

(iii) provide continuing professional development opportunities for their teachers; and

(B) develop criteria to be used for certifying the voluntary national opportunity-to-learn standards and, before applying such criteria, forward such criteria to the Goals Panel for approval.

(5) RECOMMENDATIONS AND COORDINATION.—The Council shall assist in the development of the voluntary national opportunity-to-learn standards by—

(A) making recommendations to the Secretary regarding priorities and selection criteria for each grant awarded under section 218; and

(B) coordinating with each consortium receiving a grant under section 218 to ensure that the opportunity-to-learn standards the consortium develops for all students are of high quality and are consistent with the criteria developed by the Council for the certification of such standards.

(6) APPROVAL.—The Council shall forward the voluntary national opportunity-to-learn standards that the Council certifies to the Goals Panel for approval.

(d) VOLUNTARY STATE OPPORTUNITY-TO-LEARN STANDARDS.—The Council may certify comprehensive State opportunity-to-learn standards presented on a voluntary basis by a State that—

(1) describe the conditions of teaching and learning necessary for all students to have a fair opportunity to learn; and

(2) address the elements described in section 213(c)(3).

(e) ASSESSMENTS.—

(1) IN GENERAL.—(A) The Council shall certify, for a period not to exceed 5 years, an assessment of a single subject area or a system of assessments involving several subject areas presented on a voluntary basis by a State or group of States if such assessment or system of assessments—

(i) is aligned with such State's or group of States' challenging State content standards certified by the Council;

(ii) involves multiple measures of student performance; and

(iii) provides for—

(I) the participation of all students with diverse learning needs in such assessment or system; and

(II) the adaptations and accommodations necessary to permit such participation.

(B) Assessments or systems of assessments shall be certified for the purpose of—

(i) exemplifying for students, parents, and teachers the kinds and levels of achievement that should be expected, including the identification of student performance standards;

(ii) improving classroom instruction and improving the learning outcomes for all students;

(iii) informing students, parents, and teachers about student progress toward such standards;

(iv) measuring and motivating individual students, schools, districts, States, and the Nation to improve educational performance; and

(v) assisting education policymakers in making decisions about education programs.

(2) IMPLEMENTATION.—(A)(i) The Council shall develop, and not sooner than 3 years nor later than 4 years after the date of enactment of this Act, begin utilizing, criteria for the certification of an assessment or a system of assessments in accordance with this subsection.

(ii) The Council shall not certify an assessment or system of assessments for a period of 3 years beginning on the date of enactment of this Act, if such assessment or system will be used to make decisions regarding graduation, grade promotion, or retention of students.

(iii) Before utilizing the criteria described in clause (i), the Council shall forward such criteria to the Goals Panel for approval.

(B) The certification criteria described in this paragraph shall address the extent to which an assessment or a system of assessments—

(i)(I) is aligned with a State's or a group of States' challenging State content standards, if such State or group has challenging State content standards that have been certified by the Council; and

(II) will support effective curriculum and instruction;

(ii) is to be used for a purpose for which such assessment or system is valid, reliable, fair, and free of discrimination; and

(iii) includes all students, especially students with disabilities or with limited-English proficiency.

(C) In determining appropriate certification criteria under this paragraph, the Council shall—

(i) consider standards and criteria being developed by other national organizations and recent research on assessment;

(ii) recommend needed research;

(iii) encourage the development and field testing of assessments or systems of assessments; and

(iv) provide a public forum for discussing, debating, and building consensus for the criteria to be used for the certification of assessments or systems of assessments.

(D) Prior to determining the certification criteria described in this paragraph, the Council shall take public comment on its proposed certification criteria.

(f) PERFORMANCE OF DUTIES.—In carrying out its responsibilities under this title, the Council shall—

(1) work with Federal and non-Federal departments, agencies, or organizations that are conducting research, studies, or demonstration projects to determine internationally competitive education standards and assessments, and may establish subject matter and other panels to advise the Council on particular content, student performance, and opportunity-to-learn standards and on assessments or systems of assessments;

(2) establish cooperative arrangements with the National Skill Standards Board to promote the coordination of the development of content and student performance standards under this title with the development of skill standards described in title V;

(3) recommend studies to the Secretary that are necessary to carry out the Council's responsibilities;

(4) inform the public about what constitutes high quality, internationally competitive, content, student performance, and opportunity-to-learn standards, and assessments or systems of assessments;

(5) on a regular basis, review and update criteria for certifying content, student performance, and opportunity-to-learn standards, and assessments or systems of assessments; and

(6) periodically recertify, as appropriate, the voluntary national content standards, the voluntary national student performance standards, and the voluntary national opportunity-to-learn standards.

(g) CONSTRUCTION.—Nothing in this Act shall be construed to—

(1) require any State to have standards certified pursuant to subsection (b) or (d) in order to participate in any Federal program; or

(2) create a legally enforceable right for any person against a State, local educational agency, or school based on a standard or assessment certified by the Council or the criteria developed by the Council for such certification.

SEC. 214. ANNUAL REPORTS.

Not later than 1 year after the date the Council concludes its first meeting, and each year thereafter, the Council shall prepare and submit a report regarding its work to the President, the Secretary, the appropriate committees of the Congress, the Governor of each State, and the Goals Panel.

SEC. 215. POWERS OF THE COUNCIL.

(a) HEARINGS.—

(1) IN GENERAL.—The Council shall, for the purpose of carrying out its responsibilities, conduct such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Council considers appropriate.

(2) LOCATION.—In carrying out this part, the Council shall conduct public hearings in different geographic areas of the United States, both urban and rural, to receive the reports, views, and analyses of a broad spectrum of experts and the public on the establishment of voluntary national content standards, voluntary national student performance standards, voluntary national opportunity-to-learn standards, and assessments or systems of assessments described in section 213(e).

(b) INFORMATION.—The Council may secure directly from any department or agency of the Federal Government information necessary to enable the Council to carry out this part. Upon request of the Chairperson of the Council, the head of such department or agency shall furnish such information to the Council to the extent permitted by law.

(c) POSTAL SERVICES.—The Council may use the United States mail in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(d) GIFTS; USE OF FACILITIES.—The Council may—

(1) accept, administer, and utilize gifts or donations of services, money, or property, whether real or personal, tangible or intangible; and

(2) use the research, equipment, services, and facilities of any department, agency, or instrumentality of the United States, or of any State or political subdivision thereof with the consent of such department, agency, instrumentality, State or subdivision, respectively.

(e) ADMINISTRATIVE ARRANGEMENTS AND SUPPORT.—

(1) IN GENERAL.—The Secretary shall provide to the Council, on a reimbursable basis, such administrative support services as the Council may request.

(2) CONTRACTS AND OTHER ARRANGEMENTS.—The Secretary, to the extent appropriate and on a reimbursable basis, shall enter into contracts and other arrangements that are requested by the Council to help the Council compile and analyze data or carry out other functions necessary to the performance of the Council's responsibilities.

SEC. 216. ADMINISTRATIVE PROVISIONS.

(a) MEETINGS.—The Council shall meet on a regular basis, as necessary, at the call of the Chairperson of the Council or a majority of its members.

(b) QUORUM.—A majority of the members shall constitute a quorum for the transaction of business.

(c) VOTING.—The Council shall take all action of the Council by a majority vote of the total membership of the Council, ensuring the right of the minority to issue written views. No individual may vote or exercise any of the powers of a member by proxy.

(d) PUBLIC ACCESS.—The Council shall ensure public access to its proceedings (other than proceedings, or portions of proceedings, relating to internal personnel and management matters) and shall make available to the public, at reasonable cost, transcripts of such proceedings.

SEC. 217. DIRECTOR AND STAFF; EXPERTS AND CONSULTANTS.

(a) DIRECTOR.—The Chairperson of the Council, without regard to the provisions of title 5, United States Code, relating to the appointment and compensation of officers or employees of the United States, shall appoint a Director to be paid at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule.

(b) APPOINTMENT AND PAY OF EMPLOYEES.—

(1) IN GENERAL.—(A) The Director may appoint not more than 4 additional employees to serve as staff to the Council without regard to the provisions of title 5, United States Code, governing appointments in the competitive service.

(B) The employees appointed under subparagraph (A) may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, but shall not be paid a rate that exceeds the maximum rate of basic pay payable for GS-15 of the General Schedule.

(2) ADDITIONAL EMPLOYEES.—The Director may appoint additional employees to serve as staff of the Council consistent with title 5, United States Code.

(c) EXPERTS AND CONSULTANTS.—The Council may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(d) STAFF OF FEDERAL AGENCIES.—Upon the request of the Council, the head of any department or agency of the Federal Government may detail any of the personnel of such department or agency to the Council to assist the Council in carrying out its duties under this part.

SEC. 218. OPPORTUNITY-TO-LEARN DEVELOPMENT GRANTS.

(a) OPPORTUNITY-TO-LEARN DEVELOPMENT GRANTS.—

(1) IN GENERAL.—The Secretary is authorized to award more than one grant, on a competitive basis, to consortia of individuals and organizations to enable such consortia to develop voluntary national opportunity-to-learn standards, and a listing of model programs for use, on a voluntary basis, by States in—

(A) assessing the capacity and performance of individual schools; and

(B) developing appropriate actions to be taken in the event that the schools fail to achieve such standards.

(2) COMPOSITION OF CONSORTIUM.—To the extent possible, each consortium described in paragraph (1) shall include the participation of—

(A) Governors (other than Governors serving on the Goals Panel);

(B) chief State school officers;

(C) teachers, especially teachers involved in the development of content standards, and related services personnel;

(D) principals;

(E) superintendents;

(F) State and local school board members;

(G) curriculum and school reform experts;

(H) parents;

(I) State legislators;

(J) representatives of businesses;

(K) representatives of higher education;

(L) representatives of regional accrediting associations;

(M) representatives of advocacy groups; and

(N) secondary school students.

(b) APPLICATIONS.—Each consortium that desires to receive a grant under this subsection shall submit an application to the Secretary at such time, in such manner, and containing such information and assurances as the Secretary may require.

(c) AWARD CONSIDERATION.—In establishing priorities and selection criteria for awarding more than one grant under this section, the Secretary shall give serious consideration to the recommendations made by the Council pursuant to section 213(c)(5)(A).

PART C—LEADERSHIP IN EDUCATIONAL TECHNOLOGY

SEC. 221. PURPOSES.

It is the purpose of this part to promote achievement of the National Education Goals and—

(1) to provide leadership at the Federal level, through the Department of Education,

by developing a national vision and strategy—

(A) to infuse technology and technology planning into all educational programs and training functions carried out within school systems at the State and local level;

(B) to coordinate educational technology activities among the related Federal and State departments or agencies, industry leaders, and interested educational and parental organizations;

(C) to establish working guidelines to ensure maximum interoperability nationwide and ease of access for the emerging technologies so that no school system will be excluded from the technological revolution; and

(D) to ensure that Federal technology-related policies and programs facilitate the use of technology in education;

(2) to promote awareness of the potential of technology for improving teaching and learning;

(3) to support State and local efforts to increase the effective use of technology for education;

(4) to demonstrate ways in which technology can be used to improve teaching and learning, and to help ensure that all students have an equal opportunity to meet challenging State education standards;

(5) to ensure the availability and dissemination of knowledge (drawn from research and experience) that can form the basis for sound State and local decisions about investment in, and effective uses of, educational technology;

(6) to promote high-quality professional development opportunities for teachers and administrators regarding the integration of technology into instruction and administration;

(7) to promote the effective uses of technology in existing Federal education programs, such as chapter 1 of title I of the Elementary and Secondary Education Act of 1965 and vocational education programs; and

(8) to monitor, and disseminate information regarding, advancements in technology to encourage the development of effective educational uses of technology.

SEC. 222. FEDERAL LEADERSHIP.

(a) ACTIVITIES AUTHORIZED.—

(1) IN GENERAL.—In order to provide Federal leadership that promotes higher student achievement through the use of technology in education and to achieve the purposes of this part, the Secretary, in consultation with the Office of Science and Technology Policy, the National Science Foundation, the Department of Commerce, the Department of Energy, the National Aeronautics and Space Administration, and other appropriate Federal departments or agencies, may carry out activities designed to achieve the purposes of this part.

(2) TRANSFER OF FUNDS.—For the purpose of carrying out coordinated or joint activities to achieve the purposes of this part, the Secretary may accept funds from, and transfer funds to, other Federal departments or agencies.

(b) NATIONAL LONG-RANGE TECHNOLOGY PLAN.—

(1) IN GENERAL.—The Secretary shall develop and publish within 12 months of the date of enactment of this Act, and update when the Secretary determines appropriate, a national long-range plan that supports the overall national technology policy and carries out the purposes of this part.

(2) PLAN REQUIREMENTS.—The Secretary shall—

(A) develop the national long-range plan in consultation with other Federal departments or agencies, State and local education practitioners and policymakers, experts in technology and the educational applications of technology, representatives of a distance learning consortia, representatives of telecommunications partnerships receiving assistance under the Star Schools Program Assistance Act, and providers of technology services and products;

(B) transmit such plan to the President and to the appropriate committees of the Congress; and

(C) publish such plan in a form that is readily accessible to the public.

(3) CONTENTS OF THE PLAN.—The national long-range plan shall describe the Secretary's activities to promote the purposes of this part, including—

(A) how the Secretary will encourage the effective use of technology to provide all students the opportunity to achieve challenging State content standards and challenging State student performance standards, especially through programs administered by the Department of Education;

(B) joint activities in support of the overall national technology policy with other Federal departments or agencies, such as the Office of Science and Technology Policy, the National Endowment for the Humanities, the National Endowment for the Arts, the National Aeronautics and Space Administration, the National Science Foundation, and the Departments of Commerce, Energy, Health and Human Services, and Labor—

(i) to promote the use of technology in education, and training and lifelong learning, including plans for the educational uses of a national information infrastructure; and

(ii) to ensure that the policies and programs of such departments or agencies facilitate the use of technology for educational purposes, to the extent feasible;

(C) how the Secretary will work with educators, State and local educational agencies, and appropriate representatives of the private sector to facilitate the effective use of technology in education;

(D) how the Secretary will promote—

(i) higher achievement of all students through the integration of technology into the curriculum;

(ii) increased access to the benefits of technology for teaching and learning for schools with a high concentration of children from low-income families;

(iii) the use of technology to assist in the implementation of State systemic reform strategies;

(iv) the application of technological advances to use in education; and

(v) increased opportunities for the professional development of teachers in the use of new technologies;

(E) how the Secretary will determine, in consultation with appropriate individuals, organizations, industries, and agencies, the feasibility and desirability of establishing guidelines to facilitate an easy exchange of data and effective use of technology in education;

(F) how the Secretary will utilize the outcomes of the evaluation undertaken pursuant to section 908 of the Star Schools Program Assistance Act to promote the purposes of this part; and

(G) the Secretary's long-range measurable goals and objectives relating to the purposes of this part.

(c) ASSISTANCE.—The Secretary shall provide assistance to the States to enable such States to plan effectively for the use of technology in all schools throughout the State in accordance with the purpose and requirements of section 316.

SEC. 223. OFFICE OF EDUCATIONAL TECHNOLOGY.

(a) AMENDMENT TO THE DEPARTMENT OF EDUCATION ORGANIZATION ACT.—Title II of the Department of Education Organization Act (20 U.S.C. 3411 et seq.) is amended by adding at the end the following new section:

"OFFICE OF EDUCATIONAL TECHNOLOGY

"SEC. 216. There shall be in the Department of Education an Office of Educational Technology, to be administered by the Director of Educational Technology. The Director of Educational Technology shall report directly to the Secretary and shall perform such additional functions as the Secretary may prescribe. Such Office shall be established in accordance with section 405A of the General Education Provisions Act.".

(b) AMENDMENT TO THE GENERAL EDUCATION PROVISIONS ACT.—Part A of the General Education Provisions Act (20 U.S.C. 1221c et seq.) is amended by inserting after section 405 the following new section:

"SEC. 405A. OFFICE OF EDUCATIONAL TECHNOLOGY.

"(a) ESTABLISHMENT.—The Secretary shall establish an Office of Educational Technology (hereafter in this section referred to as the 'Office').

"(b) FUNCTIONS OF THE OFFICE.—The Director of the Office of Educational Technology (hereafter in this section referred to as the 'Director'), through the Office, shall—

"(1) in support of the overall national technology policy and in consultation with other Federal departments or agencies which the Director determines appropriate, provide leadership to the Nation in the use of technology to promote achievement of the National Education Goals and to increase opportunities for all students to achieve challenging State content and challenging State student performance standards;

"(2) review all programs and training functions administered by the Department and recommend policies in order to promote increased use of technology and technology planning throughout all such programs and functions;

"(3) review all relevant programs supported by the Department to ensure that such programs are coordinated with and support the national long-range technology plan developed pursuant to this Act; and

"(4) perform such additional functions as the Secretary may require.

"(c) PERSONNEL.—The Director is authorized to select, appoint, and employ such officers and employees as may be necessary to carry out the functions of the Office, subject to the provisions of title 5, United States Code (governing appointments in the competitive service), and the provisions of chapter 51 and subchapter III of chapter 53 of such title (relating to classification and General Schedule pay rates.

"(d) EXPERTS AND CONSULTANTS.—The Secretary may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.".

(c) COMPENSATION OF THE DIRECTOR.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Director of the Office of Educational Technology.".

SEC. 224. USES OF FUNDS.

(a) IN GENERAL.—The Secretary shall use funds appropriated pursuant to the authority of section 231(d) for activities designed to carry out the purpose of this part, including—

(1) providing assistance to technical assistance providers to enable such providers to improve substantially the services such pro-

viders offer to educators regarding the educational uses of technology, including professional development;

(2) consulting with representatives of industry, elementary and secondary education, higher education, and appropriate experts in technology and the educational applications of technology, in carrying out the activities assisted under this part;

(3) research on, and the development of, guidelines to facilitate maximum interoperability, efficiency and easy exchange of data for effective use of technology in education;

(4) research on, and the development of, educational applications of the most advanced and newly emerging technologies;

(5) the development, demonstration, and evaluation of applications of existing technology in preschool education, elementary and secondary education, training and lifelong learning, and professional development of educational personnel;

(6) the development and evaluation of software and other products, including multimedia television programming, that incorporate advances in technology and help achieve the National Education Goals, challenging State content standards and challenging State student performance standards;

(7) the development, demonstration, and evaluation of model strategies for preparing teachers and other personnel to use technology effectively to improve teaching and learning;

(8) the development of model programs that demonstrate the educational effectiveness of technology in urban and rural areas and economically distressed communities;

(9) research on, and the evaluation of, the effectiveness and benefits of technology in education giving priority to research on, and evaluation of, such effectiveness and benefits in elementary and secondary schools;

(10) a biannual assessment of, and report to the public regarding, the uses of technology in elementary and secondary education throughout the United States upon which private businesses and Federal, State and local governments may rely for decision-making about the need for, and provision of, appropriate technologies in schools, which assessment and report shall use, to the extent possible, existing information and resources;

(11) conferences on, and dissemination of information regarding, the uses of technology in education;

(12) the development of model strategies to promote gender equity in the use of technology;

(13) encouraging collaboration between the Department of Education and other Federal agencies in the development, implementation, evaluation and funding of applications of technology for education, as appropriate; and

(14) such other activities as the Secretary determines will meet the purposes of this part.

(b) SPECIAL RULES.—

(1) IN GENERAL.—The Secretary shall carry out the activities described in subsection (a) directly or by grant or contract.

(2) GRANTS AND CONTRACTS.—Each grant or contract under this part shall be awarded—

(A) on a competitive basis; and

(B) pursuant to a peer review process.

SEC. 225. NON-FEDERAL SHARE.

(a) IN GENERAL.—Subject to subsections (b) and (c), the Secretary may require any recipient of a grant or contract under this part to share in the cost of the activities assisted under such grant or contract, which non-Federal share shall be announced through a notice in the Federal Register and may be in the form of cash or in-kind contributions, fairly valued.

(b) INCREASE.—The Secretary may increase the non-Federal share that is required of a recipient of a grant or contract under this part after the first year such recipient receives funds under such grant or contract.

(c) MAXIMUM.—The non-Federal share required under this section shall not exceed 50 percent of the cost of the activities assisted pursuant to a grant or contract under this part.

SEC. 226. OFFICE OF TRAINING TECHNOLOGY TRANSFER.

(a) TRANSFER.—

(1) IN GENERAL.—The Office of Training Technology Transfer as established under section 6103 of the Training Technology Transfer Act of 1988 (20 U.S.C. 5093) is transferred to the Office of Educational Technology.

(2) TECHNICAL AMENDMENT.—The first sentence of section 6103(a) of the Training Technology Transfer Act of 1988 (20 U.S.C. 5093(a)) is amended by striking "Office of Educational Research and Improvement" and inserting "Office of Educational Technology".

(b) AUTHORIZATION OF APPROPRIATIONS.—The Training Technology Transfer Act of 1988 (20 U.S.C. 5091 et seq.) is amended by adding at the end the following new section:

"SEC. 6108. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $3,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1999, to carry out this chapter.".

PART D—AUTHORIZATION OF APPROPRIATIONS

SEC. 231. AUTHORIZATION OF APPROPRIATIONS.

(a) NATIONAL EDUCATION GOALS PANEL.—There are authorized to be appropriated $3,000,000 for fiscal year 1994, and such sums as may be necessary for each of the 4 succeeding fiscal years, to carry out part A.

(b) NATIONAL EDUCATION STANDARDS AND IMPROVEMENT COUNCIL.—There are authorized to be appropriated $3,000,000 for fiscal year 1994, and such sums as may be necessary for each of the 4 succeeding fiscal years, to carry out part B.

(c) OPPORTUNITY-TO-LEARN DEVELOPMENT GRANTS.—There are authorized to be appropriated $1,000,000 for fiscal year 1994, and such sums as may be necessary for fiscal year 1995, to carry out section 219.

(d) LEADERSHIP IN EDUCATIONAL TECHNOLOGY.—There are authorized to be appropriated $5,000,000 for the fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998, to carry out part C.

TITLE III—STATE AND LOCAL EDUCATION SYSTEMIC IMPROVEMENT

SEC. 301. FINDINGS.

The Congress finds that—

(1) all students can learn to high standards and must realize their potential if the United States is to prosper;

(2) the reforms in education from 1977 through 1992 have achieved some good results, but such reform efforts often have been limited to a few schools or to a single part of the educational system;

(3) leadership must come from teachers, related services personnel, principals, and parents in individual schools, and from policymakers at the local, State, tribal, and national levels, in order for lasting improvements in student performance to occur;

(4) simultaneous top-down and bottom-up education reform is necessary to spur creative and innovative approaches by individual schools to help all students achieve internationally competitive standards;

(5) strategies must be developed by communities and States to support the revitalization of all local public schools by fundamentally changing the entire system of public education through comprehensive, coherent, and coordinated improvement;

(6) parents, teachers and other local educators, and business, community, and tribal leaders, must be involved in developing system-wide improvement strategies that reflect the needs of their individual communities;

(7) all students are entitled to teaching practices that are in accordance with accepted standards of professional practice and that hold the greatest promise of improving student performance;

(8) all students are entitled to participate in a broad and challenging curriculum and to have access to resources sufficient to address other education needs;

(9) State and local education improvement efforts must incorporate strategies for providing students and families with coordinated access to appropriate social services, health care, nutrition, early childhood education, and child care to remove preventable barriers to learning and enhance school readiness for all students;

(10) States and local educational agencies, working together, must immediately set about developing and implementing such system-wide improvement strategies if our Nation is to educate all children to meet their full potential and achieve the National Education Goals described in title I;

(11) State and local systemic improvement strategies must provide all students with effective mechanisms and appropriate paths to the work force as well as to higher education;

(12) businesses should be encouraged—

(A) to enter into partnerships with schools;

(B) to provide information and guidance to schools based on the needs of area businesses for properly educated graduates in general and on the need for particular workplace skills that the schools may provide;

(C) to provide necessary education and training materials and support; and

(D) to continue the lifelong learning process throughout the employment years of an individual;

(13) the appropriate and innovative use of technology, including distance learning, can be very effective in helping to provide all students with the opportunity to learn and meet high standards;

(14) Federal funds should be targeted to support State and local initiatives, and to leverage State and local resources for designing and implementing system-wide education improvement plans; and

(15) quality education management services are being utilized by local educational agencies and schools through contractual agreements between local educational agencies or schools and such businesses.

SEC. 302. PURPOSE.

It is the purpose of this title to—

(1) improve the quality of education for all students by supporting a long-term, broad-based effort to provide coherent and coordinated improvements in the system of education throughout our Nation at the State and local levels;

(2) provide new authorities and funding for our Nation's school systems;

(3) not replace or reduce funding for existing Federal education programs; and

(4) ensure that no State or local educational agency will reduce its funding for education or for education reform on account of receiving any funds under this title.

SEC. 303. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $400,000,000 for the fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998, to carry out this title.

SEC. 304. ALLOTMENT OF FUNDS.

(a) RESERVATIONS OF FUNDS.—From funds appropriated pursuant to the authority of section 303 in each fiscal year, the Secretary—

(1) shall reserve a total of 1 percent to provide assistance, in amounts determined by the Secretary—

(A) to the outlying areas;

(B) to the Secretary of the Interior to benefit Indian students in schools operated or funded by the Bureau of Indian Affairs; and

(C) to the Alaska Federation of Natives in cooperation with the Alaska Native Education Council to benefit Alaska Native students; and

(2) may reserve a total of not more than 4 percent for—

(A) national leadership activities under subsections (a), (b) and (d) of section 313; and

(B) the costs of peer review of State improvement plans and applications under this title.

(b) STATE ALLOTMENTS.—From the amount appropriated under section 303 and not reserved under subsection (a) in each fiscal year the Secretary shall make allotments to State educational agencies as follows:

(1) 50 percent of such amount shall be allocated in accordance with the relative amounts each State would have received under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 for the preceding fiscal year if funds under such chapter in such preceding fiscal year were not reserved for the outlying areas.

(2) 50 percent of such amount shall be allocated in accordance with the relative amounts each State would have received under part A of chapter 2 of title I of the Elementary and Secondary Education Act of 1965 for the preceding fiscal year if funds under such chapter in such preceding fiscal year were not reserved for the outlying areas.

(c) REALLOTMENTS.—If the Secretary determines that any amount of a State educational agency's allotment for any fiscal year under subsection (b) will not be needed for such fiscal year by the State, the Secretary shall reallot such amount to other State educational agencies that need additional funds, in such manner as the Secretary determines is appropriate.

(d) MAINTENANCE OF EFFORT.—Each recipient of funds under this title, in utilizing the proceeds of an allotment received under this title, shall maintain the expenditures of such recipient for the activities assisted under this title at a level equal to not less than the level of such expenditures maintained by such recipient for the fiscal year preceding the fiscal year for which such allotment is received, except that provisions of this section shall not apply in any fiscal year in which the amount appropriated to carry out this title is less than the amount appropriated to carry out this title in the preceding fiscal year.

(e) SUPPLEMENT NOT SUPPLANT.—Each recipient of funds under this title, may use the proceeds of an allotment received under this title only so as to supplement and, to the extent practicable, increase the level of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the activities assisted under this title.

SEC. 305. STATE APPLICATIONS.

(a) APPLICATION.—

(1) IN GENERAL.—Each State educational agency that desires to receive an allotment under this title shall submit an application to the Secretary at such time and in such manner as the Secretary may determine.

(2) ADDITIONAL INFORMATION.—In addition to the information described in subsections (b) and (c), each such application shall include—

(A) an assurance that the State educational agency will cooperate with the Secretary in carrying out the Secretary's responsibilities under section 313, and will comply with reasonable requests of the Secretary for data related to the State's progress in developing and implementing its State improvement plan under this title;

(B) an assurance that State law provides adequate authority to carry out each component of the State's improvement plan developed, or to be developed, under section 306, or that such authority will be sought; and

(C) such other assurances and information as the Secretary may require.

(b) FIRST YEAR.—A State educational agency's application for the first year of assistance under this title shall—

(1) describe the process by which the State educational agency will develop a school improvement plan that meets the requirements of section 306; and

(2) describe how the State educational agency will use funds received under this title for such year, including how such agency will make subgrants to local educational agencies in accordance with section 309(a), and how such agency will use funds received under this title for education preservice programs and professional development activities in accordance with section 309(b).

(c) SUBSEQUENT YEARS.—A State educational agency's application for the second year of assistance under this title shall—

(1) cover the second through fifth years of the State's participation;

(2) include a copy of the State's improvement plan that meets the requirements of section 306, or if the State improvement plan is not complete, a statement of the steps the State will take to complete the plan and a schedule for doing so; and

(3) include an explanation of how the State educational agency will use funds received under this title, including how such agency will make subgrants to local educational agencies in accordance with section 309(a), and how such agency will use such funds received under this title for education preservice programs and professional development activities in accordance with section 309(b).

SEC. 306. STATE IMPROVEMENT PLANS.

(a) BASIC SCOPE OF PLAN.—Any State educational agency that desires to receive an allotment under this title after its first year of participation shall develop and implement a State improvement plan for the improvement of elementary and secondary education in the State.

(b) PLAN DEVELOPMENT.—

(1) IN GENERAL.—A State improvement plan under this title shall be developed by a broad-based State panel in cooperation with the State educational agency and the Governor. The panel shall include—

(A) the Governor and the chief State school officer, or their designees;

(B) the chairperson of the State board of education and the chairpersons of the appropriate authorizing committees of the State legislature, or their designees;

(C) school teachers, related services personnel, principals, and administrators who have successfully improved student performance; and

(D) representatives of teachers' organizations, organizations serving young children, parents, secondary school students, business and labor leaders, community-based organizations of demonstrated effectiveness, institutions of higher education, private, nonprofit elementary and secondary schools, local boards of education, State and local officials, tribal agencies, as appropriate, and others.

(2) APPOINTMENT.—The Governor and the chief State school officer shall each appoint half the members of the panel and shall jointly select the Chairperson of the panel and the representative of a private, nonprofit elementary and secondary school described in paragraph (1)(D).

(3) REPRESENTATION.—The membership of the panel shall be geographically representative of the State and reflect the diversity of the population of the State with regard to race, ethnicity, gender and disability characteristics.

(4) CONSULTATION.—The panel shall consult the Governor, the chief State school officer, the State board of education, and relevant committees of the State legislature in developing the State improvement plan.

(5) OUTREACH.—The panel shall be responsible for conducting a statewide, grassroots outreach process, including conducting public hearings, to involve educators, related services personnel, parents, local officials, tribal government officials, as appropriate, individuals representing private nonprofit elementary and secondary schools, community and business leaders, citizens, children's advocates, secondary school students, and others with a stake in the success of students and their education system, and who are representative of the diversity of the State and the State's student population, including students of limited-English proficiency, American Indian, Alaska Native, and Native Hawaiian students, and students with disabilities, in the development of the State improvement plan and in a continuing dialogue regarding the need for and nature of challenging standards for students and local and State responsibilities for helping all students achieve such standards in order to assure that the development and implementation of the State improvement plan reflects local needs and experiences and does not result in a significant increase in paperwork for teachers.

(6) PROCEDURE AND APPROVAL.—The panel shall develop a State improvement plan, provide opportunity for public comment, and submit such plan to the State educational agency for approval.

(7) SUBMISSION.—The State educational agency shall submit the original State improvement plan developed by the panel and the State improvement plan modified by such agency, together with an explanation of any changes made by such agency to the plan developed by the panel, to the Secretary for approval.

(8) MATTERS NOT UNDER THE JURISDICTION OF THE STATE EDUCATIONAL AGENCY.—If any portion of a State improvement plan addresses matters that, under State or other applicable law, are not under the authority of the State educational agency, the State educational agency shall obtain the approval

of, or changes to, such portion, with an explanation thereof, from the Governor or other official responsible for that portion before submitting such plan to the Secretary.

(9) MONITORING; REVISIONS; REPORTING.—After approval of the State improvement plan by the Secretary, the panel shall be informed of progress on such plan by the State educational agency, and such agency, in close consultation with teachers, principals, administrators, advocates and parents in local educational agencies and schools receiving funds under this title, shall monitor the implementation and operation of such plan. The panel shall review such plan, and based on the progress described in the preceding sentence, determine if revisions to such plan are appropriate and necessary. The panel shall periodically report such determination to the public.

(c) TEACHING, LEARNING, STANDARDS, AND ASSESSMENTS.—Each State improvement plan shall establish strategies for meeting the National Education Goals described in title I by improving teaching and learning and students' mastery of basic and advanced skills to achieve a higher level of learning and academic accomplishment in English, math, science, United States history, geography, foreign languages and the arts, civics, government, economics, physics, and other core curricula, and such strategies shall involve broad-based and ongoing classroom teacher input, such as—

(1) a process for developing or adopting challenging State content standards and challenging State student performance standards for all students;

(2) a process for providing assistance and support to local educational agencies and schools to strengthen the capacity and responsibility of such agencies and schools to provide all of their students the opportunity to meet challenging State content standards and challenging State student performance standards;

(3) a process for developing or recommending instructional materials and technology to support and assist local educational agencies and schools to provide all of their students the opportunity to meet the challenging State content standards and challenging State student performance standards;

(4) a process for developing and implementing a valid, fair, nondiscriminatory, and reliable assessment or system of assessments—

(A) which assessment or system shall—

(i) be aligned with such State's content standards;

(ii) involve multiple measures of student performance;

(iii) provide for—

(I) the participation of all students with diverse learning needs in such assessment or system; and

(II) the adaptations and accommodations necessary to permit such participation;

(iv) be consistent with relevant, nationally recognized professional and technical standards for such assessment or system;

(v) be capable of providing coherent information about student attainments relative to the State content standards; and

(vi) support effective curriculum and instruction; and

(B) which process shall provide for monitoring the implementation of such assessment, system or set and the impact of such assessment, system or set on improved instruction for all students; and

(5) a process for improving the State's system of teacher and school administrator preparation and licensure, and of continuing professional development programs, including the use of technology at both the State and local levels, so that all teachers, related services personnel, and administrators develop the subject matter and pedagogical expertise needed to prepare all students to meet the challenging standards described in paragraph (1).

(d) OPPORTUNITY-TO-LEARN STRATEGIES.—Each State improvement plan shall establish strategies for providing all students with an opportunity to learn.

(e) ACCOUNTABILITY AND MANAGEMENT.—Each State plan shall establish strategies for improved accountability and management of the education system of the State.

(f) PARENTAL AND COMMUNITY SUPPORT AND INVOLVEMENT.—Each State improvement plan shall describe comprehensive strategies to involve communities, including community representatives such as parents, businesses, institutions of higher education, libraries, cultural institutions, employment and training agencies, health and human service agencies, intergenerational mentoring programs, and other public and private nonprofit agencies that provide nonsectarian social services, health care, child care, early childhood education, and nutrition to students, in helping all students meet the challenging State standards.

(g) MAKING THE IMPROVEMENTS SYSTEM-WIDE.—In order to help provide all students throughout the State the opportunity to meet challenging State content standards and challenging State student performance standards, each State improvement plan shall describe the various strategies for ensuring that all local educational agencies and schools within the State are involved in developing and implementing needed improvements within a specified period of time.

(h) PROMOTING BOTTOM-UP REFORM.—Each State improvement plan shall include strategies for ensuring that comprehensive, systemic reform is promoted from the bottom up in communities, local educational agencies, and schools, and is guided by coordination and facilitation from State leaders.

(i) BENCHMARKS AND TIMELINES.—Each State improvement plan shall include specific benchmarks of improved student performance and of progress in implementing such plan, and timelines against which the progress of the State in carrying out such plan, including the elements described in subsections (c) through (h), can be measured.

(j) PEER REVIEW AND SECRETARIAL APPROVAL.—

(1) IN GENERAL.—(A) The Secretary shall review, within a reasonable period of time, each State improvement plan prepared under this section, and each application submitted under section 305, through a peer review process involving the assistance and advice of State and local education policymakers, educators, classroom teachers, related services personnel, experts on educational innovation and improvement, parents, advocates, and other appropriate individuals. Such peer review process shall be representative of the diversity of the United States with regard to geography, race, ethnicity, gender and disability characteristics. Such peer review process shall include at least 1 site visit to each State.

(B) Notwithstanding the provisions of subparagraph (A), in the first year that a State educational agency submits an application for assistance under this title the Secretary shall not be required to—

(i) review such application through a peer review process; and

(ii) conduct a site visit.

(2) APPROVAL OF PLAN.—The Secretary shall approve a State improvement plan if—

(A) such plan is submitted to the Secretary not later than 2 years after the date the State educational agency receives its first allotment under section 304(b); and

(B) the Secretary determines, after considering the peer reviewers' comments, that such plan—

(i) reflects a widespread commitment within the State; and

(ii) holds reasonable promise of helping all students.

(3) DISAPPROVAL.—The Secretary shall not disapprove a State's plan, or any State application submitted under section 305, before offering the State—

(A) an opportunity to revise such plan or application; and

(B) a hearing.

(k) AMENDMENTS TO PLAN.—

(1) IN GENERAL.—Each State educational agency shall periodically review its State improvement plan and revise such plan, as appropriate, in accordance with the process described in subsection (b).

(2) REVIEW.—The Secretary shall review any major amendment to a State improvement plan and shall not disapprove any such amendment before offering a State educational agency—

(A) an opportunity to revise such amendment; and

(B) a hearing.

(l) PREEXISTING STATE PLANS AND PANELS.—

(1) IN GENERAL.—If a State has developed a comprehensive and systemic State improvement plan to help all students meet challenging State content standards and challenging State student performance standards, or any component of such plan, that meets the intent and purposes of section 302, the Secretary shall approve such plan or component notwithstanding that such plan was not developed in accordance with subsection (b), if—

(A) the Secretary determines that such approval would further the purposes of State systemic education improvement; and

(B) such plan ensures broad-based input from various education, political, community, and other appropriate representatives.

(2) SPECIAL RULE.—(A) If, before the date of enactment of this Act, a State has made substantial progress in developing a plan that meets the intent and purposes of section 302, but was developed by a panel that does not meet the requirements of paragraphs (1) through (3) of subsection (b), the Secretary shall, at the request of the Governor and the State educational agency, treat such panel as meeting such requirements for all purposes of this title if the Secretary determines that there has been substantial public and educator involvement in the development of such plan.

(B) If a State has not developed a State improvement plan but has an existing panel which such State would like to use for the purpose of developing such plan, then the Secretary shall, at the request of the Governor and the State educational agency, treat such panel as meeting the requirements of paragraphs (1) through (3) of subsection (b) for all purposes of this title if—

(i) the Secretary determines that such existing panel is serving a similar such purpose; and

(ii) the composition of such existing panel would ensure broad-based input from various education, political, community, and other appropriate representatives.

SEC. 307. SECRETARY'S REVIEW OF APPLICATIONS; PAYMENTS.

(a) FIRST YEAR.—The Secretary shall approve the State educational agency's initial

year application under section 305(b) if the Secretary determines that—

(1) such application meets the requirements of this title; and

(2) there is a substantial likelihood that the State will be able to develop and implement an education improvement plan that complies with section 306.

(b) SECOND THROUGH FIFTH YEARS.—The Secretary shall approve the State educational agency's renewal application under section 305(c)(1) in the second through fifth years of participation only if—

(1)(A) the Secretary has approved the State improvement plan under section 306(j); or

(B) the Secretary determines that the State has made substantial progress in developing its State improvement plan and will implement such plan not later than the end of the second year of participation; and

(2) the application meets the other requirements of this title.

(c) PAYMENTS.—For any fiscal year for which a State has an approved application under this title, the Secretary shall provide an allotment to the State educational agency in the amount determined under section 304(b).

SEC. 308. STATE USE OF FUNDS.

(a) FIRST YEAR.—In the first year for which a State educational agency receives an allotment under this title, such agency—

(1) if the amount appropriated pursuant to the authority of section 303 for such year is equal to or greater than $200,000,000, shall use at least 75 percent of such allotted funds to award subgrants—

(A) to local educational agencies for the development or implementation of local improvement plans in accordance with section 309(a); and

(B) to improve educator and related services personnel preservice programs and for professional development activities consistent with the State improvement plan and in accordance with section 309(b);

(2) if the amount appropriated pursuant to the authority of section 303 for such year is equal to or greater than $100,000,000, but less than $200,000,000, shall use at least 50 percent of such allotted funds to award subgrants described in subparagraphs (A) and (B) of paragraph (1);

(3) if the amount appropriated pursuant to the authority of section 303 for such year is less than $100,000,000, may use such allotted funds to award subgrants described in subparagraphs (A) and (B) of paragraph (1); and

(4) shall use any such allotted funds not used in accordance with paragraphs (1), (2), and (3) to develop, revise, expand, or implement a State improvement plan described in section 306.

(b) SUCCEEDING YEARS.—Each State educational agency that receives an allotment under this title for any year after the first year of participation shall—

(1) use at least 85 percent of such allotment funds in each such year to make subgrants—

(A) for the implementation of the State improvement plan and of local improvement plans in accordance with section 309(a); and

(B) to improve educator and related services personnel preservice programs and for professional development activities that are consistent with the State improvement plan in accordance with section 309(b); and

(2) shall use the remainder of such allotted funds for State activities designed to implement the State improvement plan, such as—

(A) supporting the development or adoption of challenging State content standards, challenging State student performance standards, comprehensive State opportunity-to-learn standards, and assessment tools linked to the standards, including activities assisted—

(i) through consortia of States; or

(ii) with the assistance of the National Education Standards and Improvement Council established under part B of title II;

(B) supporting the implementation of high-performance management and organizational strategies, such as site-based management, shared decisionmaking, or quality management principles, to promote effective implementation of such plan;

(C) supporting the development and implementation, at the local educational agency and school building level, of improved human resource development systems for recruiting, selecting, mentoring, supporting, evaluating and rewarding educators;

(D) providing special attention to the needs of minority, disabled, and female students, including instructional programs and activities that encourage such students in elementary and secondary schools to aspire to enter and complete postsecondary education or training;

(E) supporting innovative and proven methods of enhancing a teacher's ability to identify student learning needs, and motivating students to develop higher order thinking skills, discipline, and creative resolution methods, including significantly reducing class size and promoting instruction in chess;

(F) supporting the development, at the State or local level, of performance-based accountability and incentive systems for schools;

(G) outreach to and training for parents, tribal officials, organizations serving young children, classroom teachers, related services personnel, and other educators, and the public, related to education improvement;

(H) providing technical assistance and other services to increase the capacity of local educational agencies and schools to develop and implement systemic local improvement plans, implement new assessments or systems of assessments described in the State improvement plan developed in accordance with section 306, and develop curricula consistent with the challenging State content standards and challenging State student performance standards;

(I) promoting mechanisms for increasing public school choice, including information and referral programs which provide parents information on available choices and other initiatives to promote the establishment of innovative new public schools, including magnet schools and charter schools;

(J) supporting activities relating to the planning of, start-up costs associated with, and evaluation of, projects under which local educational agencies or schools contract with private management organizations to reform a school;

(K) supporting intergenerational mentoring programs; and

(L) collecting and analyzing data; and

(M) supporting the development, at the State or local level, of school-based programs that restore discipline and reduce violence in schools and communities, such as community mobilization programs.

(c) LIMIT ON ADMINISTRATIVE COSTS.—A State educational agency that receives an allotment under this title in any fiscal year shall use not more than 4 percent of such allotment in such year, or $100,000, whichever is greater, for administrative expenses, which administrative expenses shall not include the expenses related to the activities of the panel established under section 306(b)(1).

(d) SPECIAL RULE.—Any new public school established under this title—

(1) shall be nonsectarian;

(2) shall not be affiliated with a nonpublic sectarian school or religious institution; and

(3) shall operate under the authority of a State educational agency or local educational agency.

SEC. 309. SUBGRANTS FOR LOCAL REFORM AND PROFESSIONAL DEVELOPMENT.

(a) SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES.—

(1) IN GENERAL.—(A) Each State educational agency, through a competitive process, shall make subgrants to local educational agencies to carry out the authorized activities described in paragraph (4).

(B) Each subgrant described in subparagraph (A) shall be for a project of sufficient duration and of sufficient size, scope, and quality to carry out the purpose of this title effectively.

(2) APPLICATION REQUIRED.—Each local educational agency desiring to receive a subgrant under this subsection shall submit an application to the State educational agency that—

(A) is developed by a broad-based panel, appointed by the local educational agency, that is representative of the diversity of the students and community to be served with regard to race, language, ethnicity, gender, disability and socioeconomic characteristics, and includes teachers, related services personnel, secondary school students, parents, school administrators, business representatives, early childhood educators, representatives of community-based organizations, and others, as appropriate, and is approved by the local educational agency, including any modifications the local educational agency deems appropriate;

(B) includes, in the application submitted for the second year of participation, a comprehensive local improvement plan for school district-wide education improvement, directed at enabling all students to meet high academic standards, including specific goals and benchmarks, and includes a strategy for—

(i) ensuring that all students have a fair opportunity to learn;

(ii) improving teaching and learning;

(iii) improving governance and management;

(iv) generating and maintaining parental and community involvement; and

(v) expanding improvements throughout the local educational agency;

(C) describes how the local educational agency will encourage and assist schools to develop and implement comprehensive school improvement plans that focus on helping all students meet high academic standards and that address each element of the local educational agency's local improvement plan described in subparagraph (B);

(D) describes how the local educational agency will implement specific programs aimed at ensuring improvements in school readiness and the ability of students to learn effectively at all grade levels by identifying the most pressing needs facing students and their families with regard to social services, health care, nutrition, and child care, and entering into partnerships with public and private nonprofit agencies to increase the access of students and families to coordinated nonsectarian services in a school setting or at a nearby site;

(E) describes how the subgrant funds will be used by the local educational agency, and the procedures to be used to make funds available to schools in accordance with paragraph (4)(A);

(F) identifies, with an explanation, any State or Federal requirements that the local educational agency believes impede educational improvement and that such agency requests be waived in accordance with section 311, which requests shall promptly be transmitted to the Secretary by the State educational agency; and

(G) contains such other information as the State educational agency may reasonably require.

(3) MONITORING.—The panel described in paragraph (2)(A), after approval of the local educational agency's application by the State educational agency, shall be informed of progress on such plan by the local educational agency, and the local educational agency shall monitor the implementation and effectiveness of the local improvement plan in close consultation with teachers, related services personnel, principals, administrators, and parents from schools receiving funds under this title, as well as assure that implementation of the local improvement plan does not result in a significant increase in paperwork for teachers. The panel shall review such plan and based on the progress described in the preceding sentence, determine if revisions to the local improvement plan should be recommended to the local educational agency. The panel shall periodically report such determination to the public.

(4) AUTHORIZED ACTIVITIES.—A local educational agency that receives a subgrant under this subsection—

(A) in the first year such agency receives the subgrant shall use—

(i) not more than 25 percent of the subgrant funds to develop a local improvement plan or for any local educational agency activities approved by the State educational agency that are reasonably related to carrying out the State or local improvement plans, including the establishment of innovative new public schools; and

(ii) not less than 75 percent of the subgrant funds to support individual school improvement initiatives related to providing all students in the school the opportunity to meet high academic standards; and

(B) in subsequent years, shall use the subgrant funds for any activities approved by the State educational agency that are reasonably related to carrying out the State or local improvement plans (including the establishment of innovative new public schools), except that at least 85 percent of such funds shall be made available to individual schools to develop and implement comprehensive school improvement plans designed to help all students meet high academic standards.

(b) SUBGRANTS FOR PRESERVICE TEACHER EDUCATION AND PROFESSIONAL DEVELOPMENT ACTIVITIES.—

(1) IN GENERAL.—(A) Each State educational agency, through a competitive, peer review process, shall make subgrants to a local educational agency, or a consortium consisting of local educational agencies, institutions of higher education, or nonprofit education organizations, or any combination thereof, in order to—

(i) improve preservice teacher and related services personnel education programs in accordance with the State improvement plan; and

(ii) support continuing, sustained professional development activities for educators in accordance with the State improvement plan.

(B) Each State educational agency awarding subgrants under subparagraph (A) shall give priority to awarding such subgrants to—

(i) a local educational agency or consortium serving a greater number or percentage of disadvantaged students than the statewide average of such number or percentage; or

(ii) a consortium that has a demonstrated record of working with school districts, such as a consortium that—

(I) prepares and screens teacher interns in professional development school sites;

(II) focuses on upgrading teachers' knowledge of content areas; or

(III) targets preparation and continued professional development of teachers of students with limited-English proficiency and students with disabilities.

(C) In order to be eligible to receive a subgrant described in subparagraph (A), a consortium shall include at least 1 local educational agency.

(2) APPLICATION.—A local educational agency or consortium that desires to receive a subgrant under this subsection shall submit an application to the State educational agency that—

(A) describes how the local educational agency or consortium will use the subgrant to improve teacher preservice and school administrator education programs or to implement educator and related services personnel professional development activities in accordance with the State improvement plan;

(B) identifies the criteria to be used by the local educational agency or consortium to judge improvements in preservice education or the effects of professional development activities in accordance with the State improvement plan; and

(C) contains any other information that the State educational agency determines is appropriate.

(3) AUTHORIZED ACTIVITIES.—A recipient of a subgrant under this subsection shall use the subgrant funds for activities supporting—

(A) the improvement of preservice teacher education and school administrator programs so that such programs equip educators with the subject matter and pedagogical expertise necessary for preparing all students to meet challenging standards; or

(B) the development and implementation of new and improved forms of continuing and sustained professional development opportunities for teachers, related services personnel, principals, and other educators at the school or school district level that equip such individuals with such expertise, and with other knowledge and skills necessary for leading and participating in continuous education improvement.

(c) SPECIAL AWARD RULES.—

(1) IN GENERAL.—(A) Each State educational agency shall award at least 65 percent of subgrant funds under subsection (a) in each fiscal year to local educational agencies that have a greater percentage or number of disadvantaged children than the statewide average percentage or number for all local educational agencies in the State.

(B) At least 50 percent of the subgrant funds made available by a local educational agency to individual schools under subsection (a) in any fiscal year shall be made available to schools with a special need for assistance, as indicated by a high number or percentage of students from low-income families, low student achievement, or other similar criteria developed by the local educational agency.

(2) WAIVER.—The State educational agency may waive the requirement of paragraph (1)(A) if such agency does not receive a sufficient number of applications from local educational agencies in the State to enable the State educational agency to comply with such requirement.

SEC. 310. AVAILABILITY OF INFORMATION AND TRAINING.

Proportionate to the number of children in a State or in a local educational agency who are enrolled in private elementary or secondary schools—

(1) a State educational agency or local educational agency which uses funds under this title to develop goals, challenging State content standards or challenging State student performance standards, curricular materials, and assessments or systems of assessments shall, upon request, make information related to such goals, standards, materials, and assessments or systems available to private schools; and

(2) a State educational agency or local educational agency which uses funds under this title for teacher and administrator training shall provide in the State improvement plan described in section 306 for the training of teachers and administrators in private schools located in the geographical area served by such agency.

SEC. 311. WAIVERS OF STATUTORY AND REGULATORY REQUIREMENTS.

(a) WAIVER AUTHORITY.—

(1) IN GENERAL.—Except as provided in subsection (c), the Secretary may waive any statutory or regulatory requirement applicable to any program or Act described in subsection (b) for a State educational agency, local educational agency, or school, if—

(A) and only to the extent that, the Secretary determines that such requirement impedes the ability of the State, or of a local educational agency or school in the State, to carry out the State or local improvement plan;

(B) the State educational agency has waived, or agrees to waive, similar requirements of State law;

(C) in the case of a statewide waiver, the State educational agency—

(i) provides all local educational agencies in the State with notice and an opportunity to comment on the State educational agency's proposal to seek a waiver; and

(ii) submits the local educational agencies' comments to the Secretary; and

(D) in the case of a local educational agency waiver, the local educational agency provides parents, community groups, and advocacy or civil rights groups with the opportunity to comment on the proposed waiver.

(2) APPLICATION.—(A)(i) To request a waiver, a local educational agency or school that receives funds under this Act, or a local educational agency or school that does not receive funds under this Act but is undertaking school reform efforts and has an education reform plan approved by the State, shall transmit an application for a waiver under this section to the State educational agency. The State educational agency then shall submit approved applications for a waiver under this section to the Secretary.

(ii) A State educational agency requesting a waiver under this section shall submit an application for such waiver to the Secretary.

(B) Each application submitted to the Secretary under subparagraph (A) shall—

(i) describe the purposes and overall expected outcomes of the request for a waiver and how progress for achieving such outcomes will be measured;

(ii) identify each Federal program to be involved in the request for a waiver and each Federal statutory or regulatory requirement to be waived;

(iii) describe each State and local requirement that will be waived; and

(iv) demonstrate that the State has made a commitment to waive related requirements pertaining to the State educational agency, local educational agency or school.

(3) TIMELINESS.—The Secretary shall act promptly on a waiver request and shall provide a written statement of the reasons for granting or denying such request.

(4) DURATION.—

(A) IN GENERAL.—Each waiver under this section may be for a period not to exceed 5 years.

(B) EXTENSION.—The Secretary may extend the period described in subparagraph (A) if the Secretary determines that the waiver has been effective in enabling the State or affected local educational agencies to carry out their reform plans.

(b) INCLUDED PROGRAMS.—The statutory or regulatory requirements subject to the waiver authority of this section are any such requirements under the following programs or Acts:

(1) Chapter 1 of title I of the Elementary and Secondary Education Act of 1965, including Even Start.

(2) Part A of chapter 2 of title I of the Elementary and Secondary Education Act of 1965.

(3) The Dwight D. Eisenhower Mathematics and Science Education Act.

(4) The Emergency Immigrant Education Act of 1984.

(5) The Drug-Free Schools and Communities Act of 1986.

(6) The Carl D. Perkins Vocational and Applied Technology Education Act.

(c) WAIVERS NOT AUTHORIZED.—The Secretary may not waive any statutory or regulatory requirement of the programs or Acts described in subsection (b)—

(1) relating to—

(A) maintenance of effort;

(B) comparability of services;

(C) the equitable participation of students and professional staff in private schools;

(D) parental participation and involvement; and

(E) the distribution of funds to States or to local educational agencies; and

(2) unless the underlying purposes of the statutory requirements of each program or Act for which a waiver is granted continue to be met to the satisfaction of the Secretary.

(d) TERMINATION OF WAIVERS.—The Secretary shall periodically review the performance of any State, local educational agency, or school for which the Secretary has granted a waiver and shall terminate the waiver if the Secretary determines that the performance of the State, the local educational agency, or the school in the area affected by the waiver has been inadequate to justify a continuation of the waiver.

(e) FLEXIBILITY DEMONSTRATION.—

(1) SHORT TITLE.—This subsection may be cited as the "Education Flexibility Partnership Demonstration Act".

(2) PROGRAM AUTHORIZED.—

(A) IN GENERAL.—The Secretary shall carry out an education flexibility demonstration program under which the Secretary authorizes not more than 6 eligible States to waive any statutory or regulatory requirement applicable to any program or Act described in subsection (b), other than requirements described in subsection (c), for such eligible State or any local educational agency or school within such State.

(B) AWARD RULE.—In carrying out subparagraph (A), the Secretary shall select for participation in the demonstration program described in subparagraph (A) three eligible States that each have a population of 3,500,000 or greater and three eligible States that each have a population of less than 3,500,000, determined in accordance with the most recent decennial census of the population performed by the Bureau of the Census.

(C) DESIGNATION.—Each eligible State participating in the demonstration program described in subparagraph (A) shall be known as an "Ed-Flex Partnership State".

(3) ELIGIBLE STATE.—For the purpose of this subsection the term "eligible State" means a State that—

(A) has developed a State improvement plan under section 306 that is approved by the Secretary; and

(B) waives State statutory or regulatory requirements relating to education while holding local educational agencies or schools within the State that are affected by such waivers accountable for the performance of the students who are affected by such waivers.

(4) STATE APPLICATION.—(A) Each eligible State desiring to participate in the education flexibility demonstration program under this subsection shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require. Each such application shall demonstrate that the eligible State has adopted an educational flexibility plan for such State that includes—

(i) a description of the process the eligible State will use to evaluate applications from local educational agencies or schools requesting waivers of—

(I) Federal statutory or regulatory requirements described in paragraph (2)(A); and

(II) State statutory or regulatory requirements relating to education; and

(ii) a detailed description of the State statutory and regulatory requirements relating to education that the eligible State will waive.

(B) The Secretary may approve an application described in subparagraph (A) only if the Secretary determines that such application demonstrates substantial promise of assisting the eligible State and affected local educational agencies and schools within such State in carrying out comprehensive educational reform and otherwise meeting the purposes of this Act, after considering—

(i) the comprehensiveness and quality of the educational flexibility plan described in subparagraph (A);

(ii) the ability of such plan to ensure accountability for the activities and goals described in such plan;

(iii) the significance of the State statutory or regulatory requirements relating to education that will be waived; and

(iv) the quality of the eligible State's process for approving applications for waivers of Federal statutory or regulatory requirements described in paragraph (2)(A) and for monitoring and evaluating the results of such waivers.

(5) LOCAL APPLICATION.—(A) Each local educational agency or school requesting a waiver of a Federal statutory or regulatory requirement described in paragraph (2)(A) and any relevant State statutory or regulatory requirement from an eligible State shall submit an application to such State at such time, in such manner, and containing such information as such State may reasonably require. Each such application shall—

(i) indicate each Federal program affected and the statutory or regulatory requirement that will be waived;

(ii) describe the purposes and overall expected outcomes of waiving each such requirement;

(iii) describe for each school year specific, measurable, educational goals for each local educational agency or school affected by the proposed waiver; and

(iv) explain why the waiver will assist the local educational agency or school in reaching such goals.

(B) An eligible State shall evaluate an application submitted under subparagraph (A) in accordance with the State's educational flexibility plan described in paragraph (4)(A).

(C) An eligible State shall not approve an application for a waiver under this paragraph unless—

(i) the local educational agency or school requesting such waiver has developed a local reform plan that is applicable to such agency or school, respectively; and

(ii) the waiver of Federal statutory or regulatory requirements described in paragraph (2)(A) will assist the local educational agency or school in reaching its educational goals.

(6) MONITORING.—Each eligible State participating in the demonstration program under this subsection shall annually monitor the activities of local educational agencies and schools receiving waivers under this subsection and shall submit an annual report regarding such monitoring to the Secretary.

(7) DURATION OF FEDERAL WAIVERS.—(A) The Secretary shall not approve the application of an eligible State under paragraph (4) for a period exceeding 5 years, except that the Secretary may extend such period if the Secretary determines that the eligible State's authority to grant waivers has been effective in enabling such State or affected local educational agencies or schools to carry out their local reform plans.

(B) The Secretary shall periodically review the performance of any eligible State granting waivers of Federal statutory or regulatory requirements described in paragraph (2)(A) and shall terminate such State's authority to grant such waivers if the Secretary determines, after notice and opportunity for hearing, that such State's performance has been inadequate to justify continuation of such authority.

(f) RESULTS-ORIENTED ACCOUNTABILITY.—In deciding whether to extend a request for a waiver under this section the Secretary shall review the progress of the State educational agency, local educational agency or school receiving a waiver to determine if such agency or school has made progress toward achieving the outcomes described in the application submitted pursuant to subsection (a)(2)(B)(i).

SEC. 312. PROGRESS REPORTS.

(a) STATE REPORTS TO THE SECRETARY.—Each State educational agency that receives an allotment under this title shall annually report to the Secretary—

(1) on the State's progress in meeting the State's goals and plans;

(2) on the State's proposed activities for the succeeding year; and

(3) in summary form, on the progress of local educational agencies in meeting local goals and plans.

(b) SECRETARY'S REPORTS TO CONGRESS.—By April 30, 1996, and every 2 years thereafter, the Secretary shall submit a report to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate describing—

(1) the activities assisted under, and outcomes of, grants or contracts under paragraph (2) of section 313(b), including—

(A) a description of the purpose, uses, and technical merit of assessments evaluated with funds awarded under such paragraph; and

(B) an analysis of the impact of such assessments on the performance of students, particularly students of different racial, gender, ethnic, or language groups and individuals with disabilities;

(2) the activities assisted under, and outcomes of, allotments under this title; and

(3) the effect of waivers granted under section 311, including—

(A) a listing of all State educational agencies, local educational agencies and schools seeking and receiving waivers;

(B) a summary of the State and Federal statutory or regulatory requirements that have been waived, including the number of waivers sought and granted under each such statutory or regulatory requirement;

(C) a summary of waivers that have been terminated, including a rationale for the terminations; and

(D) recommendations to the Congress regarding changes in statutory or regulatory requirements, particularly those actions that should be taken to overcome Federal statutory or regulatory impediments to education reform.

(c) TECHNICAL AND OTHER ASSISTANCE REGARDING SCHOOL FINANCE EQUITY.—

(1) TECHNICAL ASSISTANCE.—(A) From the national leadership funds reserved in section 304(a)(2)(A), the Secretary is authorized to make grants to, and enter into contracts and cooperative agreements with, State educational agencies and other public and private agencies, institutions, and organizations to provide technical assistance to State and local educational agencies to assist such agencies in achieving a greater degree of equity in the distribution of financial resources for education among local educational agencies in the State.

(B) A grant, contract or cooperative agreement under this subsection may support technical assistance activities, such as—

(i) the establishment and operation of a center or centers for the provision of technical assistance to State and local educational agencies;

(ii) the convening of conferences on equalization of resources within local educational agencies, within States, and among States; and

(iii) obtaining advice from experts in the field of school finance equalization.

(2) DATA.—Each State educational agency or local educational agency receiving assistance under the Elementary and Secondary Education Act of 1965 shall provide such data and information on school finance as the Secretary may require to carry out this subsection.

(3) MODELS.—The Secretary is authorized, directly or through grants, contracts, or cooperative agreements, to develop and disseminate models and materials useful to States in planning and implementing revisions of the school finance systems of such States.

SEC. 313. NATIONAL LEADERSHIP.

(a) TECHNICAL ASSISTANCE AND INTEGRATION OF STANDARDS.—From funds reserved in each fiscal year under section 304(a)(2)(A), the Secretary may, directly or through grants or contracts—

(1) provide technical assistance to States, local educational agencies, and tribal agencies developing or implementing school improvement plans, in a manner that ensures that such assistance is broadly available; or

(2) support model projects to integrate multiple content standards, if—

(A) such standards are certified by the National Education Standards and Improvement Council and approved by the National Goals Panel for different subject areas, in order to provide balanced and coherent instructional programs for all students; and

(B) such projects are appropriate for a wide range of diverse circumstances, localities (including both urban and rural communities), and populations.

(b) INNOVATIVE PROGRAMS; ASSESSMENT; EVALUATION.—From not more than 50 percent of the funds reserved in each fiscal year under section 304(a)(2)(A), the Secretary, directly or through grants or contracts, shall—

(1) provide urban and rural local educational agencies, schools, or consortia thereof, with assistance for innovative or experimental programs in systemic education reform that are not being undertaken through grants provided under section 309(a), giving special consideration or priority to local educational agencies, schools, or consortia thereof that serve large numbers or concentrations of economically disadvantaged students, including students of limited-English proficiency; or

(2) provide a State or local educational agency, nonprofit organization or consortium thereof with assistance to help defray the cost of developing, field testing and evaluating an assessment or system of assessments with a priority on grants or contracts for limited-English proficiency students or students with disabilities, if—

(A) such assessment or system—

(i) is to be used for some or all of the purposes described in section 213(e)(1)(B); and

(ii) is aligned to State content standards certified by the National Education Standards and Improvement Council; and

(B) such agency, organization or consortium—

(i) examines the validity, reliability, and fairness of such assessment or system, for the particular purposes for which such assessment or system was developed; and

(ii) devotes special attention to how such assessment or system treats all students, especially with regard to the race, gender, ethnicity, disability and language proficiency of such students.

(c) DATA AND DISSEMINATION.—The Secretary shall—

(1) gather data on, conduct research on, and evaluate systemic education improvement, including the programs authorized by this title; and

(2) disseminate research findings and other information on outstanding examples of systemic education improvement in States and local communities through existing dissemination systems within the Department of Education, including through publications, electronic and telecommunications mediums, conferences, and other means.

SEC. 314. ASSISTANCE TO THE OUTLYING AREAS AND TO THE SECRETARY OF THE INTERIOR.

(a) OUTLYING AREAS.—

(1) IN GENERAL.—Funds reserved for the outlying areas in each fiscal year under section 304(a)(1)(A) shall be made available to, and expended by, such areas, under such conditions and in such manner as the Secretary determines will best meet the purposes of this title.

(2) INAPPLICABILITY OF PUBLIC LAW 95–134.—The provisions of Public Law 95–134, permitting the consolidation of grants to the Insular Areas, shall not apply to funds received by such areas under this title.

(b) SECRETARY OF THE INTERIOR.—The funds reserved by the Secretary for the Secretary of the Interior under section 304(a)(1)(B) shall be made available to the Secretary of the Interior pursuant to an agreement between the Secretary and the Secretary of the Interior containing such terms and assurances, consistent with this title, as the Secretary determines will best achieve the purpose of this title.

(c) SECRETARY OF DEFENSE.—The Secretary shall consult with the Secretary of Defense to ensure that, to the extent practicable, the purposes of this title are applied to the Department of Defense schools.

SEC. 315. CLARIFICATION REGARDING STATE STANDARDS AND ASSESSMENTS.

Notwithstanding any other provision of this title, standards, assessments, and systems of assessments described in a State improvement plan submitted in accordance with section 306 shall not be required to be certified by the Council.

SEC. 316. STATE PLANNING FOR IMPROVING STUDENT ACHIEVEMENT THROUGH INTEGRATION OF TECHNOLOGY INTO THE CURRICULUM.

(a) PURPOSE.—It is the purpose of this section to assist each State to plan effectively for improved student learning in all schools through the use of technology as an integral part of the State improvement plan described in section 306.

(b) PROGRAM AUTHORIZED.—

(1) AUTHORITY.—The Secretary shall award grants in accordance with allocations under paragraph (2) to each State educational agency that, as part of its application under section 305, requests a grant to develop (or continue the development of), and submits as part of the State improvement plan described in section 306, a systemic statewide plan to increase the use of state-of-the-art technologies that enhance elementary and secondary student learning and staff development in support of the National Education Goals and challenging standards.

(2) FORMULA.—From the amount appropriated pursuant to the authority of subsection (f) in each fiscal year, each State educational agency with an application approved under section 305 shall receive a grant under paragraph (1) in such year in an amount determined on the same basis as allotments are made to State educational agencies under subsections (b) and (c) of section 304 for such year, except that each such State shall receive at least 1½ percent of the amount appropriated pursuant to such authority or $75,000, whichever is greater.

(3) DURATION.—A State educational agency may receive assistance under this section for not more than 2 fiscal years.

(c) PLAN OBJECTIVES.—Each State educational agency shall use funds received under this section to develop and, if the Secretary has approved the systemic statewide plan, to implement such plan. Such plan shall have as its objectives—

(1) the promotion of higher student achievement through the use of technology in education;

(2) the participation of all schools and school districts in the State, especially those schools and districts with a high percentage of disadvantaged students;

(3) the development and implementation of a cost-effective, high-speed, statewide, interoperable, wide-area-communication educational technology support system for elementary and secondary schools within the State, particularly for such schools in rural areas; and

(4) the promotion of shared usage of equipment, facilities, and other technology resources by adult learners during after-school hours.

(d) PLAN REQUIREMENTS.—At a minimum, each systemic statewide plan shall—

(1) be developed by a task force that—

(A) includes among its members experts in the educational use of technology and representatives of the State panel described in section 306(b); and

(B) ensures that such plan is integrated into the State improvement plan described in section 306;

(2) be developed in collaboration with the Governor, representatives of the State legislature, the State board of education, institutions of higher education, appropriate State agencies, local educational agencies, public and private telecommunication entities, parents, public and school libraries, students, adult literacy providers, and leaders in the field of technology, through a process of statewide grassroots outreach to local educational agencies and schools in the State;

(3) identify and describe the requirements for introducing state-of-the-art technologies into the classroom and school library in order to enhance educational curricula, including the installation and ongoing maintenance of basic connections, hardware and the necessary support materials;

(4) describe how the application of advanced technologies in the schools will enhance student learning, provide greater access to individualized instruction, promote the strategies described in section 306(d), and help make progress toward the achievement of the National Education Goals;

(5) describe how the ongoing training of educational personnel will be provided;

(6) describe the resources necessary, and procedures, for providing ongoing technical assistance to carry out such plan;

(7) provide for the dissemination on a statewide basis of exemplary programs and practices relating to the use of technology in education;

(8) establish a funding estimate (including a statement of likely funding sources) and a schedule for the development and implementation of such plan;

(9) describe how the State educational agency will assess the impact of implementing such plan on student achievement and aggregate achievement for schools;

(10) describe how the State educational agency and local educational agencies in the State will coordinate and cooperate with business and industry, and with public and private telecommunications entities;

(11) describe how the State educational agency will promote the purchase of equipment by local educational agencies that, when placed in schools, will meet the highest possible level of interoperability and open system design;

(12) describe how the State educational agency will consider using existing telecommunications infrastructure and technology resources;

(13) describe how the State educational agency will apply the uses of technology to meet the needs of children from low-income families; and

(14) describe the process through which such plan will be reviewed and updated periodically.

(e) REPORTS.—Each State educational agency receiving a grant under this section shall submit a report to the Secretary within 1 year of the date such agency submits to the Secretary its systemic statewide plan under this section. Such report shall—

(1) describe the State's progress toward implementation of the provisions of such plan;

(2) describe any revisions to the State's long-range plans for technology;

(3) describe the extent to which resources provided pursuant to such plan are distributed among schools to promote the strategies described in section 306(d); and

(4) include any other information the Secretary deems appropriate.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 for fiscal year 1994, and such sums as may be necessary for fiscal year 1995, to carry out this section.

TITLE IV—MISCELLANEOUS

SEC. 401. PUBLIC SCHOOLS.

Except as provided in section 310, nothing in this Act shall be construed to authorize the use of funds under title III of this Act to directly or indirectly benefit any school other than a public school.

SEC. 402. CONSTRUCTION.

Nothing in this Act shall be construed—

(1) to supersede the provisions of section 103 of the Department of Education Organization Act;

(2) to require the teaching of values or the establishment of school-based clinics as a condition of receiving funds under this Act;

(3) to mandate limitations or class size for a State, local educational agency or school;

(4) to mandate a Federal teacher certification system for a State, local educational agency or school;

(5) to mandate teacher instructional practices for a State, local educational agency or school;

(6) to mandate equalized spending per pupil for a State, local educational agency or school;

(7) to mandate national school building standards for a State, local educational agency or school;

(8) to mandate curriculum content for a State, local educational agency or school; and

(9) to mandate any curriculum framework, instructional material, examination, assessment or system of assessments for private, religious, or home schools.

SEC. 403. KALID ABDUL MOHAMMED.

It is the sense of the Senate that the speech made by Mr. Khalid Abdul Mohammed at Kean College on November 29, 1993, was false, anti-Semitic, racist, divisive, repugnant and a disservice to all Americans and is therefore condemned.

SEC. 404. PROHIBITION ON FEDERAL MANDATES, DIRECTION, AND CONTROL.

Nothing in this Act shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school's curriculum, program of instruction, or allocation of State or local resources or mandate a State or any subdivision thereof to spend any funds or incur any costs not paid for under this Act.

SEC. 405. SCHOOL PRAYER.

No funds made available through the Department of Education under this Act, or any other Act, shall be available to any State or local educational agency which has a policy of denying, or which effectively prevents participation in, constitutionality protected prayer in public schools by individuals on a voluntary basis. Neither the United States nor any State nor any local educational agency shall require any person to participate in prayer or influence the form or content of any constitutionality protected prayer in such public schools.

SEC. 406. DAILY SILENCE FOR STUDENTS.

It is the sense of the Senate that local educational agencies should encourage a brief period of daily silence for students for the purpose of contemplating their aspirations; for considering what they hope and plan to accomplish that day; for considering how their own actions of that day will effect themselves and others around them, including their schoolmates, friends and families; for drawing strength from whatever personal, moral or religious beliefs or positive values they hold; and for such other introspection and reflection as will help them develop and prepare them for achieving the goals of this Act.

SEC. 407. FUNDING FOR THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT.

(a) The Senate finds that—

(1) the Individuals with Disabilities Education Act was established with the commitment of forty percent Federal funding but currently receives only eight percent Federal funding;

(2) this funding shortfall is particularly burdensome to school districts and schools in low-income areas which serve higher than average proportions of students with disabilities and have fewer local resources to contribute; and

(3) it would cost the Federal Government approximately $10,000,000,000 each year to fully fund the Individuals with Disabilities Education Act.

(b) It is the sense of the Senate that the Federal Government should provide States and communities with adequate resources under the Individuals with Disabilities Education Act as soon as reasonably possible, through the reallocation of funds within the current budget monetary constraints.

SEC. 408. NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS.

Section 551 of the Higher Education Act of 1965 (20 U.S.C. 1107) is amended—

(1) in paragraph (1) of subsection (b), by striking "the Federal share of";

(2) in subparagraph (B) of subsection (e)(1), by striking "share of the cost of the activities of the Board is" and inserting "contributions described in subsection (f) are"; and

(3) by amending subsection (f) to read as follows:

"(f) MATCHING FUNDS REQUIREMENT.—

"(1) IN GENERAL.—The Secretary shall not provide financial assistance under this subpart to the Board unless the Board agrees to expend non-Federal contributions equal to $1 for every $1 of the Federal funds provided pursuant to such financial assistance.

"(2) NON-FEDERAL CONTRIBUTIONS.—The non-Federal contributions described in paragraph (1)—

"(A) may include all non-Federal funds raised by the Board on or after January 1, 1987; and

"(B) may be used for outreach, implementation, administration, operation, and other costs associated with the development and implementation of national teacher assessment and certification procedures under this subpart.".

SEC. 409. FORGIVENESS OF CERTAIN OVERPAYMENTS.

(a) IN GENERAL.—Notwithstanding section 1401 of the Elementary and Secondary Education Act of 1965 or any other provision of law—

(1) the allocation of funds appropriated for fiscal year 1993 under the Department of Education Appropriations Act, 1993, to Colfax County, New Mexico under section 1005 of the Elementary and Secondary Education Act of 1965, and any other allocations

or grants for such fiscal year resulting from such allocation to such county under any program administered by the Secretary of Education, shall be deemed to be authorized by law; and

(2) in any program for which allocations are based on fiscal year 1993 allocations under section 1005 of such Act, the fiscal year 1993 allocations under such section deemed to be authorized by law in accordance with paragraph (1) shall be used.

(b) Notwithstanding subsection (a)(1) of this section, in carrying out section 1403(a) of the Elementary and Secondary Education Act of 1965 for fiscal year 1994, the amount allocated to Colfax County, New Mexico under section 1005 of such Act for fiscal year 1993 shall be deemed to be the amount that the Secretary determines would have been allocated under such section 1005 had the correct data been used for fiscal year 1993.

SEC. 410. STUDY OF GOALS 2000 AND STUDENTS WITH DISABILITIES.

(a) STUDY REQUIRED.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Education shall make appropriate arrangements with the National Academy of Sciences to conduct a comprehensive study of the inclusion of children with disabilities in GOALS 2000 school reform activities.

(2) DEFINITION.—For purposes of this section, the term "children with disabilities" has the same meaning given such in the Individuals with Disabilities Education Act.

(b) STUDY COMPONENTS.—The study conducted under subsection (a) shall include—

(1) an evaluation of the National Education Goals and objectives, curriculum reforms, standards, and other programs and activities intended to achieve those goals;

(2) a review of the adequacy of assessments and measures used to gauge progress towards meeting National Education Goals and any national and State standards, and an examination of other methods or accommodations necessary or desirable to collect data on the educational progress of children with disabilities, and the costs of such methods and accommodations;

(3) an examination of what incentives or assistance might be provided to States to develop improvement plans that adequately address the needs of children with disabilities;

(4) the relation of Goals 2000 to other Federal laws governing or affecting the education of children with disabilities; and

(5) such other issues as the National Academy of Sciences considers appropriate.

(c) STUDY PANEL MEMBERSHIP.—Any panel constituted in furtherance of the study to be conducted under subsection (a) shall include consumer representatives.

(d) FINDINGS AND RECOMMENDATIONS.—The Secretary of Education shall request the National Academy of Sciences to submit an interim report of its findings and recommendations to the President and Congress not later than 12 months, and a final report not later than 24 months, from the date of the completion of procurement relating to the study.

(e) FUNDING.—From such accounts as the Secretary deems appropriate, the Secretary shall make available $600,000 for fiscal year 1994, and such sums as may be necessary for fiscal year 1995, to carry out this section. Amounts made available under this subsection shall remain available until expended.

SEC. 411. MENTORING, PEER COUNSELING AND PEER TUTORING.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) Mentoring, peer counseling and peer tutoring programs provide role models for children and build self-esteem;

(2) Mentoring, peer counseling and peer tutoring programs promote learning and help students attain the necessary skills they need to excel academically;

(3) Mentoring, peer counseling, and peer tutoring programs provide healthy and safe alternatives to involvement in drugs, gangs or other violent activities; and

(4) Mentoring, peer counseling, and peer tutoring programs promote school, community and parental involvement in the livelihood and well-being of our children.

(b) SENSE OF THE CONGRESS.—Therefore, it is the Sense of the Congress that Federal education programs that provide assistance to elementary and secondary education students should include authorizations for establishing mentoring, peer counseling and peer tutoring programs.

SEC. 412. CONTENT AND PERFORMANCE STANDARDS.

It is the sense of the Senate that because high academic standards are the key to excellence for all students and a focus on results is an important direction for education reform, it is the sense of the Senate that States should develop their own content and performance standards in academic subject areas as an essential part of their State reform plan.

SEC. 413. STATE-SPONSORED HIGHER EDUCATION TRUST FUND SAVINGS PLAN.

It is the sense of the Senate that—

(1) individuals should be encouraged to save to meet the higher education costs of their children;

(2) an effective way to encourage those savings is through State-sponsored higher education trust fund savings plans; and

(3) an effective way for the Federal Government to assist such plans is to amend the Federal tax laws to provide that—

(A) no tax is imposed on the earnings on contributions to the plans if the earnings are used for higher education costs,

(B) State organizations sponsoring the plans are exempt from Federal taxation, and

(C) any charitable gift to the plans are tax-deductible and are distributed to recipients on a pro rata basis.

SEC. 414. AMENDMENTS TO SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAM.

(a) PROGRAM DESIGN.—

(1) ACADEMIC ENRICHMENT AUTHORIZED.—Paragraph (1) of section 253(a) of the Job Training Partnership Act is amended by inserting "academic enrichment" after "remedial education,".

(2) REQUIRED SERVICES AND DESIGN.—

(A) Subsection (c) of such section 253 is amended by adding at the end the following new paragraphs:

"(3) BASIC EDUCATION AND PREEMPLOYMENT TRAINING.—The programs under this part shall provide, either directly or through arrangements with other programs, each of the following services to a participant where the assessment and the service strategy indicate such services are appropriate:

"(A) Basic and Remedial Education.

"(B) Preemployment and Work Maturity Skills Training.

"(4) INTEGRATION OF WORK AND LEARNING.—

"(A) WORK EXPERIENCE.—Work experience provided under this part, to the extent feasible, shall include contextual learning opportunities which integrate the development of general competencies with the development of academic skills.

"(B) CLASSROOM TRAINING.—Classroom training provided under this part shall, to the extent feasible, include opportunities to apply knowledge and skills relating to academic subjects to the world of work.".

(B) Section 253 of the Job Training Partnership Act is further amended by adding at the end the following new subsection:

"(e) EDUCATIONAL LINKAGES.—In conducting the program assisted under this part, service delivery areas shall establish linkages with the appropriate educational agencies responsible for service to participants. Such linkages shall include arrangements to ensure that there is a regular exchange of information relating to the progress, problems and needs of participants, including the results of assessments of the skill levels of participants.".

(C) Section 254 of the Job Training Partnership Act is amended by adding at the end the following new subsection:

"(c) PROHIBITION ON PRIVATE ACTIONS.—Nothing in this part shall be construed to establish a right for a participant to bring an action to obtain services described in the assessment or service strategy developed under section 253(c).".

(b) TRANSFER OF FUNDS TO YEAR ROUND PROGRAM.—Section 256 of the Job Training Partnership Act is amended by striking "10 percent" and inserting "20 percent".

SEC. 415. STATE AND LOCAL GOVERNMENT CONTROL OF EDUCATION.

(a) FINDINGS.—

(1) Congress is interested in promoting State and local government reform efforts in education;

(2) In Public Law 96-88 the Congress found that education is fundamental to the development of individual citizens and the progress of the Nation;

(3) In Public Law 96-88 the Congress found that in our Federal system the responsibility for education is reserved respectively to the States and the local school systems and other instrumentalities of the States;

(4) In Public Law 96-88 the Congress declared the purpose of the Department of Education was to supplement and complement the efforts of States, the local school systems, and other instrumentalities of the States, the private sector, public and private educational institutions, public and private nonprofit educational research institutions, community based organizations, parents and schools to improve the quality of education;

(5) The establishment of the Department of Education, Congress intended to protect the rights of State and local governments and public and private educational institutions in the areas of educational policies and administration of programs and to strengthen and improve the control of such governments and institutions over their own educational programs and policies;

(6) Public Law 96-88 specified that the establishment of the Department of Education shall not increase the authority of the Federal Government over education or diminish the responsibility for education which is reserved to the States and local school systems and other instrumentalities of the States;

(7) Public Law 96-88 specified that no provision of a program administered by the Secretary or by any other officer of the Department shall be construed to authorize the Secretary or any such officer to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school, or school system, over any accrediting agency or association or over the selection or content of library resources, textbooks, or other instructional materials by any educational institution or school system, now therefore

(b) REAFFIRMATION.—The Congress agrees and reaffirms that the responsibility for control of education is reserved to the States and local school systems and other instrumentalities of the States and that no action shall be taken under the provisions of this Act by the Federal Government which would, directly or indirectly, impose standards or requirements of any kind through the promulgation of rules, regulations, provision of financial assistance and otherwise, which would reduce, modify, or undercut State and local responsibility for control of education.

SEC. 416. PROTECTION OF PUPILS.

Section 439 of the General Education Provisions Act is amended to read as follows:

"PROTECTION OF PUPIL RIGHTS

"SEC. 439. (a) All instructional materials, including teacher's manuals, films, tapes, or other supplementary material which will be used in connection with any survey, analysis, or evaluation as part of any applicable program shall be available for inspection by the parents or guardians of the children.

"(b) No student shall be required, as part of any applicable program, to submit to a survey, analysis, or evaluation that reveals information concerning:

"(1) political affiliations;

"(2) mental and psychological problems potentially embarrassing to the student or his family;

"(3) sex behavior and attitudes;

"(4) illegal, anti-social, self-incriminating and demeaning behavior;

"(5) critical appraisals of other individuals with whom respondents have close family relationships;

"(6) legally recognized privileged or analogous relationships, such as those of lawyers, physicians, and ministers; or

"(7) income (other than that required by law to determine eligibility for participation in a program or for receiving financial assistance under such program),

without the prior consent of the student (if the student is an adult or emancipated minor), or in the case of an unemancipated minor, without the prior written consent of the parent.

"(c) Educational agencies and institutions shall give parents and students effective notice of their rights under this section.

"(d) ENFORCEMENT.—The Secretary shall take such action as the Secretary determines appropriate to enforce this section, except that action to terminate assistance provided under an applicable program shall be taken only if the Secretary determines that—

"(1) there has been a failure to comply with such section; and

"(2) compliance with such section cannot be secured by voluntary means.

"(e) OFFICE AND REVIEW BOARD—The Secretary shall establish or designate an office and review board within the Department of Education to investigate, process, review, and adjudicate violations of the rights established under this section.".

SEC. 417. CONTRACEPTIVE DEVICES.

The Department of Health and Human Services and the Department of Education shall ensure that all federally funded programs which provide for the distribution of contraceptive devices to unemancipated minors develop procedures to encourage, to the extent practical, family participation in such programs.

SEC. 418. EDUCATIONAL AGENCIES NOT DENIED FUNDS FOR ADOPTING CONSTITUTIONAL POLICY RELATIVE TO PRAYER IN SCHOOLS.

Notwithstanding any other provision of this Act, no funds made available through the Department of Education under this Act, or any other Act, shall be denied to any State or local educational agency because it has adopted a constitutional policy relative to prayer in public school.

TITLE V—NATIONAL SKILL STANDARDS BOARD

SEC. 501. SHORT TITLE.

This title may be cited as the "National Skill Standards Act of 1994".

SEC. 502. PURPOSE.

It is the purpose of this title to establish a National Board to serve as a catalyst in stimulating the development and adoption of a voluntary national system of skill standards and of assessment and certification—

(1) that will serve as a cornerstone of the national strategy to enhance work force skills;

(2) that will result in increased productivity, economic growth, and American economic competitiveness; and

(3) that can be used, consistent with civil rights laws—

(A) by the Nation, to ensure the development of a high skills, high quality, high performance work force, including the most skilled front-line work force in the world;

(B) by industries, as a vehicle for informing training providers and prospective employees of skills necessary for employment;

(C) by employers, to assist in evaluating the skill levels of prospective employees and to assist in the training of current employees;

(D) by labor organizations, to enhance the employment security of workers by providing portable credentials and skills;

(E) by workers, to—

(i) obtain certifications of their skills to protect against dislocation;

(ii) pursue career advancement; and

(iii) enhance their ability to reenter the work force;

(F) by students and entry level workers, to determine the skill levels and competencies needed to be obtained in order to compete effectively for high wage jobs;

(G) by training providers and educators, to determine appropriate training services to be offered by the providers and educators;

(H) by Government, to evaluate whether publicly funded training assists participants to meet skill standards where such standards exist and thereby protect the integrity of public expenditures; and

(I) to facilitate linkages between other components of the work force investment strategy, including school-to-work transition and job training programs.

SEC. 503. ESTABLISHMENT OF NATIONAL BOARD.

(a) IN GENERAL.—There is established a National Skill Standards Board (hereafter referred to in this title as the "National Board").

(b) COMPOSITION.—

(1) IN GENERAL.—The National Board shall be composed of 28 members (appointed in accordance with paragraph (3)), of whom—

(A) one member shall be the Secretary of Labor;

(B) one member shall be the Secretary of Education;

(C) one member shall be the Secretary of Commerce;

(D) one member shall be the Chairperson of the National Education Standards and Improvement Council established pursuant to section 212(a);

(E) eight members shall be representatives of business (including representatives of small employers and representatives of large employers) selected from among individuals recommended by recognized national business organizations or trade associations;

(F) eight members shall be representatives of organized labor selected from among individuals recommended by recognized national labor federations; and

(G)(i) four members shall be certified human resource professionals;

(ii) three members shall be representatives of educational institutions (including vocational-technical institutions); and

(iii) one member shall be a representative of nongovernmental organizations with a demonstrated history of successfully protecting the rights of racial, ethnic or religious minorities, women, persons with disabilities, or older persons.

(2) SPECIAL REQUIREMENTS.—The members described in subparagraph (G) of paragraph (1) shall have expertise in the area of education and training. The members described in subparagraphs (E), (F), and (G) of paragraph (1) shall, in the aggregate, represent a broad cross-section of occupations and industries.

(3) APPOINTMENT.—The membership of the National Board shall be appointed as follows:

(A) Twelve members (four from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be appointed by the President.

(B) Six members (two from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be appointed by the Speaker of the House of Representatives. Of the members so appointed, three members (one from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be selected from recommendations made by the Majority Leader of the House of Representatives and three members (one from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be selected from recommendations made by the Minority Leader of the House of Representatives.

(C) Six members (two from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be appointed by the President pro tempore of the Senate. Of the members so appointed, three members (one from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be selected from recommendations made by the Majority Leader of the Senate and three members (one from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be selected from recommendations made by the Minority Leader of the Senate.

(4) EX OFFICIO NONVOTING MEMBERS.—The members of the National Board specified in subparagraphs (A), (B), (C), and (D) of paragraph (1) shall be ex officio, nonvoting members of the National Board.

(5) TERM.—Each member of the National Board appointed under subparagraph (E), (F), or (G) of paragraph (1) shall be appointed for a term of 4 years, except that of the initial members of the Board appointed under such subparagraphs—

(A) twelve members shall be appointed for a term of 3 years (four from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)), of whom—

(i) two from each such class shall be appointed in accordance with paragraph (3)(A);

(ii) one from each such class shall be appointed in accordance with paragraph (3)(B); and

(iii) one from each such class shall be appointed in accordance with paragraph (3)(C); and

(B) twelve members shall be appointed for a term of 4 years (four from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)), of whom—

(i) two from each such class shall be appointed in accordance with paragraph (3)(A);

(ii) one from each such class shall be appointed in accordance with paragraph (3)(B); and

(iii) one from each such class shall be appointed in accordance with paragraph (3)(C).

(6) VACANCIES.—Any vacancy in the National Board shall not affect its powers, but shall be filled in the same manner as the original appointment.

(c) CHAIRPERSON AND VICE CHAIRPERSONS.—

(1) CHAIRPERSON.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the National Board, by majority vote, shall elect a Chairperson once every 2 years from among the members of the National Board.

(B) INITIAL CHAIRPERSON.—The first Chairperson of the National Board shall be elected, by a majority vote of the National Board, from among the members who are representatives of business (as described in subparagraph (E) of subsection (b)(1)) and shall serve for a term of 2 years.

(2) VICE CHAIRPERSONS.—The National Board, by majority vote, shall annually elect 3 Vice Chairpersons (each representing a different class of the classes of members described in subparagraphs (E), (F), and (G) of subsection (b)(1) and each of whom shall serve for a term of 1 year) from among its members appointed under subsection (b)(3).

(d) COMPENSATION AND EXPENSES.—

(1) COMPENSATION.—Members of the National Board who are not full-time employees or officers of the Federal Government shall serve without compensation.

(2) EXPENSES.—The members of the National Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57, title 5, United States Code, while away from their homes or regular places of business in the performance of services for the National Board.

(e) EXECUTIVE DIRECTOR AND STAFF.—

(1) EXECUTIVE DIRECTOR.—The Chairperson of the National Board shall appoint an Executive Director who shall be compensated at a rate determined by the National Board not to exceed the rate of pay for level V of the Executive Schedule under section 5316 of title 5, United States Code.

(2) STAFF.—The Executive Director may appoint and compensate such additional staff as may be necessary to enable the Board to perform its duties. The Executive Director may fix the compensation of the staff without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the staff may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(f) GIFTS.—The National Board is authorized, in carrying out this title, to accept and employ or dispose of in furtherance of the purposes of this title, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise, and to accept voluntary and uncompensated services notwithstanding the provisions of section 1342 of title 31, United States Code.

(g) AGENCY SUPPORT.—

(1) USE OF FACILITIES.—The National Board may use the research, equipment, services and facilities of any agency or instrumentality of the United States with the consent of such agency or instrumentality.

(2) STAFF OF FEDERAL AGENCIES.—Upon the request of the National Board, the head of any Federal agency of the United States may detail to the National Board, on a reimbursable basis, any of the personnel of such Federal agency to assist the National Board in carrying out this title. Such detail shall be without interruption or loss of civil service status or privilege.

(h) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the National Board may procure temporary and intermittent services of experts and consultants under section 3109(b) of title 5, United States Code.

(i) TERMINATION OF THE COMMISSION.—Section 14(a)(2) of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to the termination of the National Board.

SEC. 504. FUNCTIONS OF THE NATIONAL BOARD.

(a) IDENTIFICATION OF OCCUPATIONS.—The National Board, after extensive public consultation, shall identify broad clusters of major occupations that involve one or more than one industry in the United States.

(b) ESTABLISHMENT OF VOLUNTARY PARTNERSHIPS TO DEVELOP STANDARDS.—

(1) IN GENERAL.—For each of the occupational clusters identified pursuant to subsection (a), the National Board shall encourage and facilitate the establishment of voluntary partnerships to develop a skill standards system in accordance with subsection (d).

(2) REPRESENTATIVES.—Such voluntary partnerships shall include the full and balanced participation of—

(A)(i) representatives of business (including representatives of large employers and representatives of small employers) who have expertise in the area of work force skill requirements, and who are recommended by national business organizations or trade associations representing employers in the occupation or industry for which a standard is being developed; and

(ii) representatives of trade associations that have received grants from the Department of Labor or the Department of Education to establish skill standards prior to the date of enactment of this title;

(B) employee representatives who—

(i) have expertise in the area of work force skill requirements; and

(ii) shall be—

(I) individuals recommended by recognized national labor organizations representing employees in the occupation or industry for which a standard is being developed; and

(II) such individuals who are nonmanagerial employees with significant experience and tenure in such occupation or industry as are appropriate given the nature and structure of employment in the occupation or industry; and

(C) representatives of—

(i) educational institutions;

(ii) community-based organizations;

(iii) State and local agencies with administrative control or direction over education or over employment and training;

(iv) other policy development organizations with expertise in the area of work force skill requirements; or

(v) nongovernmental organizations with a demonstrated history of successfully protecting the rights of racial, ethnic, or religious minorities, women, persons with disabilities, or older persons.

(3) EXPERTS.—The partnerships described in paragraph (2) may also include other individuals who are independent, qualified experts in their fields.

(c) RESEARCH, DISSEMINATION, AND COORDINATIONS.—In order to support the activities described in subsections (b) and (d), the National Board shall—

(1) conduct work force research relating to skill standards and make the results of such research available to the public, including the voluntary partnerships described in subsection (b);

(2) identify and maintain a catalog of skill standards used by other countries and by States and leading firms and industries in the United States;

(3) serve as a clearinghouse to facilitate the sharing of information on the development of skill standards and other relevant information among representatives of occupations and industries identified pursuant to subsection (a), and among education and training providers;

(4) develop a common nomenclature relating to skill standards;

(5) encourage the development and adoption of curricula and training materials, for attaining the skill standards endorsed pursuant to subsection (d), that provide for structured work experiences and related study programs leading to progressive levels of professional and technical certification;

(6) provide appropriate technical assistance to voluntary partnerships involved in the development of standards and systems described in subsection (b); and

(7) facilitate coordination among voluntary partnerships that meet the requirements of subsection (b)(2) in order to promote the development of a coherent national system of voluntary skill standards.

(d) ENDORSEMENT OF SKILL STANDARDS SYSTEMS.—

(1) IN GENERAL.—The National Board, after public review and comment, shall endorse skill standards systems relating to the occupational clusters identified pursuant to subsection (a) that—

(A) meet the requirements of paragraph (2);

(B) are submitted by voluntary partnerships that meet the requirements of subsection (b)(2); and

(C) meet additional objective criteria that are published by the National Board.

(2) COMPONENTS OF SYSTEM.—The skill standards systems endorsed pursuant to paragraph (1) shall have one or more of the following components:

(A) Voluntary skill standards, which—

(i) are formulated in such a manner that promotes the portability of credentials and facilitates worker mobility within an occupational cluster or industry and among industries;

(ii) are in a form that allows for regular updating to take into account advances in technology or other developments within the occupational cluster;

(iii) are not discriminatory with respect to race, color, religion, sex, national origin, ethnicity, age, or disability;

(iv) meet or exceed the highest applicable standards used in the United States, including apprenticeship standards registered under the Act of August 16, 1937 (commonly known as the "National Apprenticeship Act", 50 Stat. 664, chapter 663, 29 U.S.C. 50 et seq.); and

(v) have been developed after taking into account—

(I) relevant standards used in other countries and relevant international standards;

(II) voluntary national content standards and voluntary national student performance standards developed pursuant to section 213; and

(III) the requirements of high performance work organizations.

(B) A voluntary system of assessment and certification of the attainment of skill standards developed pursuant to subparagraph (A), which—

(i) utilizes a variety of evaluation techniques, including, where appropriate, oral and written evaluations, portfolio assessments, and performance tests;

(ii) includes methods for establishing the validity and reliability of the assessment and certification system for the intended purposes of the system; and

(iii) has been developed after taking into account relevant methods of assessment and certification used in other countries.

(C) A system to disseminate information relating to the skill standards, and the assessment and certification systems, developed pursuant to this paragraph (including dissemination of information relating to civil rights laws relevant to the use of such standards and systems), and to promote use of such standards and systems by, entities such as institutions of higher education offering professional and technical education, labor organizations, trade and technical associations, and employers providing formalized training, and other organizations likely to benefit from such standards and systems.

(D) A system to evaluate the implementation and effectiveness of the skill standards, the assessment and certification systems, and the information dissemination systems, developed pursuant to this paragraph.

(E) A system to periodically revise and update the skill standards, and the assessment and certification systems, developed pursuant to this paragraph, which will take into account changes in standards in other countries.

(e) RELATIONSHIP WITH CIVIL RIGHTS LAWS.—

(1) IN GENERAL.—Nothing in this title shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, color, religion, sex, national origin, ethnicity, age, or disability.

(2) EVIDENCE.—The endorsement or absence of an endorsement by the National Board of a skill standard, or assessment and certification system, endorsed under subsection (d) may not be used in any action or proceeding to establish that the use of a skill standard or assessment and certification system conforms or does not conform to the requirements of civil rights laws.

(f) COORDINATION.—The National Board shall establish cooperative arrangements with the National Education Standards and Improvement Council to promote the coordination of the development of skill standards under this section with the development of voluntary national content standards and voluntary national student performance standards in accordance with section 213.

(g) FINANCIAL ASSISTANCE.—

(1) IN GENERAL.—(A) From funds appropriated pursuant to the authority of section 507, the Secretary of Labor may award grants and enter into contracts and cooperative arrangements (including awarding grants to, and entering into contracts and cooperative agreements with, voluntary partnerships in accordance with paragraph (2)) that are requested by the National Board for the purposes of carrying out this title.

(B) Each entity desiring a grant, contract or cooperative agreement under this title shall submit an application to the National Board at such time, in such manner and accompanied by such information as the National Board may reasonably require.

(2) SPECIAL RULE REGARDING ASSISTANCE FOR VOLUNTARY PARTNERSHIPS.—The Secretary only shall award a grant to, or enter into a contract or cooperative agreement with, a voluntary partnership that meets the requirements of subsection (b)(2) for the development of skill standards systems in accordance with subsection (d).

(3) CRITERIA FOR BOARD CONSIDERATION.—Prior to each of the fiscal years 1994 through 1998, the National Board shall publish objective criteria for the National Board's consideration of applications submitted pursuant to paragraph (1)(B).

(4) RECOMMENDATIONS TO THE SECRETARY OF LABOR.—The National Board shall review each application received pursuant to paragraph (1)(B) in accordance with the objective criteria published pursuant to paragraph (3), and shall submit each such application to the Secretary of Labor accompanied by a recommendation by the National Board on whether or not the Secretary of Labor should award a grant to the applicant.

(5) LIMITATION ON USE OF FUNDS.—

(A) IN GENERAL.—Not more than 20 percent of the funds appropriated pursuant to the authority of section 507(a) for each fiscal year shall be used by the National Board for the costs of administration.

(B) STARTUP COSTS.—Notwithstanding subparagraph (A), in order to facilitate the establishment of the National Board, the limitation contained in subparagraph (A) shall not apply to funds appropriated pursuant to the authority of section 507(a) for fiscal year 1994.

(C) DEFINITION.—For purposes of this paragraph, the term "costs of administration" means costs relating to staff, supplies, equipment, space, and travel and per diem, costs of conducting meetings and conferences, and other related costs.

SEC. 505. DEADLINES.

Not later than December 31, 1996, the National Board shall—

(1) identify occupational clusters pursuant to section 504(a) representing a substantial portion of the work force; and

(2) promote the endorsement of an initial set of skill standards in accordance with section 504(d) for such clusters.

SEC. 506. REPORTS.

The National Board shall prepare and submit to the President and the Congress in each of the fiscal years 1994 through 1998, a report on the activities conducted under this title. Such report shall include information on the extent to which skill standards have been adopted by employers, training providers, and other entities, and on the effectiveness of such standards in accomplishing the purposes described in section 502.

SEC. 507. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this title $15,000,000 for fiscal year 1994 and such sums as may be necessary for each of fiscal years 1995 through 1998.

(b) AVAILABILITY.—Amounts appropriated pursuant to subsection (a) shall remain available until expended.

SEC. 508. DEFINITIONS.

As used in this title:

(1) COMMUNITY-BASED ORGANIZATIONS.—The term "community-based organizations" has the meaning given the term in section 4(5) of the Job Training Partnership Act (29 U.S.C. 1503(5)).

(2) EDUCATIONAL INSTITUTION.—The term "educational institution" means a high school, a vocational school, and an institution of higher education.

(3) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

(4) SKILL STANDARD.—The term "skill standard" means the level of knowledge and competence required to successfully perform work-related functions within an occupational cluster.

SEC. 509. SUNSET PROVISION.

(a) REPEAL.—This title is repealed on September 30, 1998.

(b) REVIEW OF REPEAL.—It is the sense of the Congress that the appropriate committees of the Congress should review the accomplishments of the National Board prior to the date of repeal described in subsection (a) in order to determine whether it is appropriate to extend the authorities provided under this title for a period beyond such date.

TITLE VI—SAFE SCHOOLS

PART A—SAFE SCHOOLS PROGRAM

SEC. 601. SHORT TITLE; STATEMENT OF PURPOSE.

(a) SHORT TITLE.—This part may be cited as the "Safe Schools Act of 1994".

(b) STATEMENT OF PURPOSE.—It is the purpose of this part to help local school systems achieve Goal Six of the National Education Goals, which provides that by the year 2000, every school in America will be free of drugs and violence and will offer a disciplined environment conducive to learning, by ensuring that all schools are safe and free of violence.

SEC. 602. SAFE SCHOOLS PROGRAM AUTHORIZED.

(a) AUTHORITY.—

(1) IN GENERAL.—From funds appropriated pursuant to the authority of subsection (b)(1), the Secretary shall make competitive grants to eligible local educational agencies to enable such agencies to carry out projects and activities designed to achieve Goal Six of the National Education Goals by helping to ensure that all schools are safe and free of violence.

(2) GRANT DURATION AND AMOUNT.—Grants under this part may not exceed—

(A) two fiscal years in duration, except that the Secretary shall not award any new grants in fiscal year 1996 but may make payments pursuant to a 2-year grant which terminates in such fiscal year; and

(B) $3,000,000 in any fiscal year.

(3) GEOGRAPHIC DISTRIBUTION.—To the extent practicable, grants under this title shall be awarded to eligible local educational agencies serving rural, as well as urban, areas.

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated $75,000,000 for fiscal year 1994, $100,000,000 for fiscal year 1995, and such sums as may be necessary for fiscal year 1996, to carry out this part.

(2) RESERVATION.—The Secretary is authorized in each fiscal year to reserve not more than 10 percent of the amount appropriated pursuant to the authority of paragraph (1) to carry out national leadership activities described in section 606, of which 50 percent of such amount shall be available in such fiscal year to carry out the program described in section 606(b).

SEC. 603. ELIGIBLE APPLICANTS.

(a) IN GENERAL.—To be eligible to receive a grant under this part, a local educational

agency shall demonstrate in the application submitted pursuant to section 604(a) that such agency—

(1) serves an area in which there is a high rate of—

(A) homicides committed by persons between the ages 5 to 18, inclusive;

(B) referrals of youth to juvenile court;

(C) youth under the supervision of the courts;

(D) expulsions and suspension of students from school;

(E) referrals of youth, for disciplinary reasons, to alternative schools; or

(F) victimization of youth by violence, crime, or other forms of abuse; and

(2) has serious school crime, violence, and discipline problems, as indicated by other appropriate data.

(b) PRIORITY.—In awarding grants under this part, the Secretary shall give priority to a local educational agency that—

(1) receives assistance under section 1006 of the Elementary and Secondary Education Act of 1965 or meets the criteria described in clauses (i) and (ii) of section 1006(a)(1)(A) of such Act; and

(2) submits an application that assures a strong local commitment to the projects or activities assisted under this part, such as—

(A) the formation of partnerships among the local educational agency, a community-based organization, a nonprofit organization with a demonstrated commitment to or expertise in developing education programs or providing educational services to students or the public, a local law enforcement agency, or any combination thereof; and

(B) a high level of youth participation in such projects or activities.

(c) DEFINITIONS.—For the purpose of this part—

(1) the term "local educational agency" has the same meaning given to such term in section 1471(12) of the Elementary and Secondary Education Act of 1965; and

(2) the term "Secretary" means the Secretary of Education.

SEC. 604. APPLICATIONS AND PLANS.

(a) APPLICATION.—In order to receive a grant under this part, a local educational agency shall submit to the Secretary an application that includes—

(1) an assessment of the current violence and crime problems in the schools and community to be served by the grant;

(2) an assurance that the applicant has written policies regarding school safety, student discipline, and the appropriate handling of violent or disruptive acts;

(3) a description of the schools and communities to be served by the grant, the projects and activities to be carried out with grant funds, and how these projects and activities will help to reduce the current violence and crime problems in such schools and communities;

(4) if the local educational agency receives funds under Goals 2000: Educate America Act, an explanation of how projects and activities assisted under this part will be coordinated with and support such agency's comprehensive local improvement plan prepared under that Act;

(5) the applicant's plan to establish school-level advisory committees, which include faculty, parents, staff, and students, for each school to be served by the grant and a description of how each committee will assist in assessing that school's violence and discipline problems as well as in designing appropriate programs, policies, and practices to address those problems;

(6) the applicant's plan for collecting baseline and future data, by individual schools, to monitor violence and discipline problems and to measure such applicant's progress in achieving the purpose of this part;

(7) an assurance that grant funds under this part will be used to supplement and not to supplant State and local funds that would, in the absence of funds under this part, be made available by the applicant for the purpose of this part;

(8) an assurance that the applicant will cooperate with, and provide assistance to, the Secretary in gathering statistics and other data the Secretary determines are necessary to assess the effectiveness of projects and activities assisted under this part or the extent of school violence and discipline problems throughout the Nation;

(9) an assurance that the local educational agency has a written policy that prohibits sexual contact between school personnel and a student; and

(10) such other information as the Secretary may require.

(b) PLAN.—In order to receive funds under this part for a second year, a grantee shall submit to the Secretary a comprehensive, long-term, school safety plan for reducing and preventing school violence and discipline problems. Such plan shall contain—

(1) a description of how the grantee will coordinate its school crime and violence prevention efforts with education, law-enforcement, judicial, health, social service, and other appropriate agencies and organizations serving the community; and

(2) in the case that the grantee receives funds under the Goals 2000: Educate America Act, an explanation of how the grantee's comprehensive plan under this subsection is consistent with and supports its comprehensive local improvement plan prepared under that Act, if such explanation differs from that provided in the grantee's application under that Act.

SEC. 605. USE OF FUNDS.

(a) USE OF FUNDS.—

(1) IN GENERAL.—A local educational agency shall use grant funds received under this part for one or more of the following activities:

(A) Identifying and assessing school violence and discipline problems, including coordinating needs assessment activities and education, law-enforcement, judicial, health, social service, and other appropriate agencies and organizations.

(B) Conducting school safety reviews or violence prevention reviews of programs, policies, practices, and facilities to determine what changes are needed to reduce or prevent violence and promote safety and discipline.

(C) Planning for comprehensive, long-term strategies for addressing and preventing school violence and discipline problems through the involvement and coordination of school programs with other education, law-enforcement, judicial, health, social service, and other appropriate agencies and organizations.

(D) Training school personnel in programs of demonstrated effectiveness in addressing violence, including violence prevention, conflict resolution, anger management, peer mediation, and identification of high-risk youth.

(E) Community education programs, including video- and technology-based projects, informing parents, businesses, local government, the media and other appropriate entities about—

(i) the local educational agency's plan to promote school safety and reduce and prevent school violence and discipline problems; and

(ii) the need for community support.

(F) Coordination of school-based activities designed to promote school safety and reduce or prevent school violence and discipline problems with related efforts of education, law-enforcement, judicial, health, social service, and other appropriate agencies and organizations.

(G) Developing and implementing violence prevention activities, including—

(i) conflict resolution and social skills development for students, teachers, aides, other school personnel, and parents;

(ii) disciplinary alternatives to expulsion and suspension of students who exhibit violent or anti-social behavior;

(iii) student-led activities such as peer mediation, peer counseling, and student courts; or

(iv) alternative after-school programs that provide safe havens for students, which may include cultural, recreational, and educational and instructional activities.

(H) Educating students and parents regarding the dangers of guns and other weapons and the consequences of their use.

(I) Developing and implementing innovative curricula to prevent violence in schools and training staff how to stop disruptive or violent behavior if such behavior occurs.

(J) Supporting "safe zones of passage" for students between home and school through such measures as Drug- and Weapon-Free School Zones, enhanced law enforcement, and neighborhood patrols.

(K) Counseling programs for victims and witnesses of school violence and crime.

(L) Minor remodeling to promote security and reduce the risk of violence, such as removing lockers, installing better lights, and upgrading locks.

(M) Acquiring and installing metal detectors and hiring security personnel.

(N) Reimbursing law enforcement authorities for their personnel who participate in school violence prevention activities.

(O) Evaluating projects and activities assisted under this part.

(P) The cost of administering projects or activities assisted under this part.

(Q) Other projects or activities that meet the purpose of this part.

(2) LIMITATION.—A local educational agency may use not more than—

(A) a total of 10 percent of grant funds received under this part in each fiscal year for activities described in subparagraphs (J), (L), (M), and (N) of paragraph (1); and

(B) 5 percent of grant funds received under this part in each fiscal year for activities described in subparagraph (P) of paragraph (1).

(3) PROHIBITION.—A local educational agency may not use grant funds received under this part for construction.

SEC. 606. NATIONAL LEADERSHIP.

(a) IN GENERAL.—To carry out the purpose of this part, the Secretary is authorized to use funds reserved under section 602(b)(2) to conduct national leadership activities such as research, program development and evaluation, data collection, public awareness activities, training and technical assistance, dissemination (through appropriate research entities assisted by the Department of Education) of information on successful projects, activities, and strategies developed pursuant to this part, and peer review of applications under this part. The Secretary may carry out such activities directly, through interagency agreements, or through grants, contracts or cooperative agreements.

(b) NATIONAL MODEL CITY.—The Secretary shall designate the District of Columbia as a national model city and shall provide funds

made available pursuant to section 602(b)(2) in each fiscal year to a local educational agency serving the District of Columbia in an amount sufficient to enable such agency to carry out a comprehensive program to address school and youth violence.

SEC. 607. NATIONAL COOPERATIVE EDUCATION STATISTICS SYSTEM.

Subparagraph (A) of section 406(h)(2) of the General Education Provisions Act (20 U.S.C. 1221e-1(h)(2)(A)) is amended—

(1) in clause (vi), by striking "and" after the semicolon; and

(2) by adding after clause (vii) the following new clause:

"(viii) school safety policy, and statistics on the incidents of school violence; and".

SEC. 608. COORDINATION OF FEDERAL ASSISTANCE.

The Attorney General, through the Coordinating Council on Juvenile Justice and Delinquency Prevention of the Department of Justice, shall coordinate the programs and activities carried out under this Act with the programs and activities carried out by the departments and offices represented within the Council that provide assistance under other law for purposes that are similar to the purpose of this Act, in order to avoid redundancy and coordinate Federal assistance, research, and programs for youth violence prevention.

SEC. 609. EFFECTIVE DATE.

This part and the amendments made by this part shall take effect on the date of enactment of this Act.

PART B—STATE LEADERSHIP ACTIVITIES TO PROMOTE SAFE SCHOOLS

SEC. 621. STATE LEADERSHIP ACTIVITIES TO PROMOTE SAFE SCHOOLS PROGRAM.

(a) SHORT TITLE.—This section may be cited as the "State Leadership Activities to Promote Safe Schools Act".

(b) AUTHORITY.—The Secretary is authorized to award grants to State educational agencies from allocations under subsection (c) to enable such agencies to carry out the authorized activities described in subsection (e).

(c) ALLOCATION.—Each State educational agency having an application approved under subsection (d) shall be eligible to receive a grant under this section for each fiscal year that bears the same ratio to the amount appropriated pursuant to the authority of subsection (f) for such year as the amount such State educational agency receives pursuant to section 1006 of the Elementary and Secondary Education Act of 1965 for such year bears to the total amount allocated to all such agencies in all States having applications approved under subsection (d) for such year, except that no State educational agency having an application approved under subsection (d) in any fiscal year shall receive less than $100,000 for such year.

(d) APPLICATION.—Each State educational agency desiring a grant under this section shall submit an application to the Secretary at such time, in such manner and containing such information as the Secretary may reasonably require. Each such application shall—

(1) describe the activities and services for which assistance is sought;

(2) contain a statement of the State educational agency's goals and objectives for violence prevention and a description of the procedures to be used for assessing and publicly reporting progress toward meeting those goals and objectives; and

(3) contain a description of how the State educational agency will coordinate such agency's activities under this section with the violence prevention efforts of other State agencies.

(e) USE OF FUNDS.—Grant funds awarded under this section shall be used—

(1) to support a statewide resource coordinator;

(2) to provide technical assistance to both rural and urban local school districts;

(3) to disseminate to local educational agencies and schools information on successful school violence prevention programs funded through Federal, State, local and private sources;

(4) to make available to local educational agencies teacher training and parent and student awareness programs, which training and programs may be provided through video or other telecommunications approaches;

(5) to supplement and not supplant other Federal, State and local funds available to carry out the activities assisted under this section; and

(6) for other activities the Secretary may deem appropriate.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 for each of the fiscal years 1995 and 1996 to carry out this section.

TITLE VII—MIDNIGHT BASKETBALL LEAGUE TRAINING AND PARTNERSHIP

SEC. 701. SHORT TITLE.

This title may be cited as the "Midnight Basketball League Training and Partnership Act".

SEC. 702. GRANTS FOR MIDNIGHT BASKETBALL LEAGUE TRAINING AND PARTNERSHIP PROGRAMS.

Section 520 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 11903a) is amended—

(1) in the section heading by inserting "and assisted" after "public";

(2) in the subsection heading for subsection (a), by inserting "PUBLIC HOUSING" before "YOUTH"; and

(3) by adding at the end the following new subsection:

"(l) MIDNIGHT BASKETBALL LEAGUE TRAINING AND PARTNERSHIP PROGRAMS.—

"(1) AUTHORITY.—The Secretary of Housing and Urban Development shall make grants, to the extent that amounts are approved in appropriations Acts under paragraph (13), to—

"(A) eligible entities to assist such entities in carrying out midnight basketball league programs meeting the requirements of paragraph (4); and

"(B) eligible advisory entities to provide technical assistance to eligible entities in establishing and operating such midnight basketball league programs.

"(2) ELIGIBLE ENTITIES.—

"(A) IN GENERAL.—Subject to subparagraph (B), grants under paragraph (1)(A) may be made only to the following eligible entities:

"(i) Entities eligible under subsection (b) for a grant under subsection (a).

"(ii) Nonprofit organizations providing employment counseling, job training, or other educational services.

"(iii) Nonprofit organizations providing federally assisted low-income housing.

"(B) PROHIBITION ON SECOND GRANTS.—A grant under paragraph (1)(A) may not be made to an eligible entity if the entity has previously received a grant under such paragraph, except that the Secretary may exempt an eligible advisory entity from the prohibition under this subparagraph in extraordinary circumstances.

"(3) USE OF GRANT AMOUNTS.—Any eligible entity that receives a grant under paragraph (1)(A) may use such amounts only—

"(A) to establish or carry out a midnight basketball league program under paragraph (4);

"(B) for salaries for administrators and staff of the program;

"(C) for other administrative costs of the program, except that not more than 5 percent of the grant amount may be used for such administrative costs; and

"(D) for costs of training and assistance provided under paragraph (4)(I).

"(4) PROGRAM REQUIREMENTS.—Each eligible entity receiving a grant under paragraph (1)(A) shall establish a midnight basketball league program as follows:

"(A) The program shall establish a basketball league of not less than 8 teams having 10 players each.

"(B) Not less than 50 percent of the players in the basketball league shall be residents of federally assisted low-income housing or members of low-income families (as such term is defined in section 3(b) of the United States Housing Act of 1937).

"(C) The program shall be designed to serve primarily youths and young adults from a neighborhood or community whose population has not less than 2 of the following characteristics (in comparison with national averages):

"(i) A substantial problem regarding use or sale of illegal drugs.

"(ii) A high incidence of crimes committed by youths or young adults.

"(iii) A high incidence of persons infected with the human immunodeficiency virus or sexually transmitted diseases.

"(iv) A high incidence of pregnancy or a high birth rate, among adolescents.

"(v) A high unemployment rate for youths and young adults.

"(vi) A high rate of high school drop-outs.

"(D) The program shall require each player in the league to attend employment counseling, job training, and other educational classes provided under the program, which shall be held immediately following the conclusion of league basketball games at or near the site of the games and at other specified times.

"(E) The program shall serve only youths and young adults who demonstrate a need for such counseling, training, and education provided by the program, in accordance with criteria for demonstrating need, which shall be established by the Secretary, in consultation with the Advisory Committee.

"(F) The majority of the basketball games of the league shall be held between the hours of 10:00 p.m. and 2:00 a.m. at a location in the neighborhood or community served by the program.

"(G) The program shall obtain sponsors for each team in the basketball league. Sponsors shall be private individuals or businesses in the neighborhood or community served by the program who make financial contributions to the program and participate in or supplement the employment, job training, and educational services provided to the players under the program with additional training or educational opportunities.

"(H) The program shall comply with any criteria established by the Secretary, in consultation with the Advisory Committee established under paragraph (9).

"(I) Administrators or organizers of the program shall receive training and technical assistance provided by eligible advisory entities receiving grants under paragraph (8).

"(5) GRANT AMOUNT LIMITATIONS.—

"(A) PRIVATE CONTRIBUTIONS.—The Secretary may not make a grant under paragraph (1)(A) to an eligible entity that applies

for a grant under paragraph (6) unless the applicant entity certifies to the Secretary that the entity will supplement the grant amounts with amounts of funds from non-Federal sources, as follows:

"(i) In each of the first 2 years that amounts from the grant are disbursed (under subparagraph (E)), an amount sufficient to provide not less than 35 percent of the cost of carrying out the midnight basketball league program.

"(ii) In each of the last 3 years that amounts from the grant are disbursed, an amount sufficient to provide not less than 50 percent of the cost of carrying out the midnight basketball league program.

"(B) NON-FEDERAL FUNDS.—For purposes of this paragraph, the term 'funds from non-Federal sources' includes amounts from nonprofit organizations, public housing agencies, States, units of general local government, and Indian housing authorities, private contributions, any salary paid to staff (other than from grant amounts under paragraph (1)(A)) to carry out the program of the eligible entity, in-kind contributions to carry out the program (as determined by the Secretary after consultation with the Advisory Committee), the value of any donated material, equipment, or building, the value of any lease on a building, the value of any utilities provided, and the value of any time and services contributed by volunteers to carry out the program of the eligible entity.

"(C) PROHIBITION ON SUBSTITUTION OF FUNDS.—Grant amounts under paragraph (1)(A) and amounts provided by States and units of general local government to supplement grant amounts may not be used to replace other public funds previously used, or designated for use, under this section.

"(D) MAXIMUM AND MINIMUM GRANT AMOUNTS.—

"(i) IN GENERAL.—The Secretary may not make a grant under paragraph (1)(A) to any single eligible entity in an amount less than $55,000 or exceeding $130,000, except as provided in clause (ii).

"(ii) EXCEPTION FOR LARGE LEAGUES.—In the case of a league having more than 80 players, a grant under paragraph (1)(A) may exceed $130,000, but may not exceed the amount equal to 35 percent of the cost of carrying out the midnight basketball league program.

"(E) DISBURSEMENT.—Amounts provided under a grant under paragraph (1)(A) shall be disbursed to the eligible entity receiving the grant over the 5-year period beginning on the date that the entity is selected to receive the grant, as follows:

"(i) In each of the first 2 years of such 5-year period, 23 percent of the total grant amount shall be disbursed to the entity.

"(ii) In each of the last 3 years of such 5-year period, 18 percent of the total grant amount shall be disbursed to the entity.

"(6) APPLICATIONS.—To be eligible to receive a grant under paragraph (1)(A), an eligible entity shall submit to the Secretary an application in the form and manner required by the Secretary (after consultation with the Advisory Committee), which shall include—

"(A) a description of the midnight basketball league program to be carried out by the entity, including a description of the employment counseling, job training, and other educational services to be provided;

"(B) letters of agreement from service providers to provide training and counseling services required under paragraph (4) and a description of such service providers;

"(C) letters of agreement providing for facilities for basketball games and counseling, training, and educational services required under paragraph (4) and a description of the facilities;

"(D) a list of persons and businesses from the community served by the program who have expressed interest in sponsoring, or have made commitments to sponsor, a team in the midnight basketball league; and

"(E) evidence that the neighborhood or community served by the program meets the requirements of paragraph (4)(C).

"(7) SELECTION.—The Secretary, in consultation with the Advisory Committee, shall select eligible entities that have submitted applications under paragraph (6) to receive grants under paragraph (1)(A). The Secretary, in consultation with the Advisory Committee, shall establish criteria for selection of applicants to receive such grants. The criteria shall include a preference for selection of eligible entities carrying out midnight basketball league programs in suburban and rural areas.

"(8) TECHNICAL ASSISTANCE GRANTS.—Technical assistance grants under paragraph (1)(B) shall be made as follows:

"(A) ELIGIBLE ADVISORY ENTITIES.—Technical assistance grants may be made only to entities that—

"(i) are experienced and have expertise in establishing, operating, or administering successful and effective programs for midnight basketball and employment, job training, and educational services similar to the programs under paragraph (4); and

"(ii) have provided technical assistance to other entities regarding establishment and operation of such programs.

"(B) USE.—Amounts received under technical assistance grants shall be used to establish centers for providing technical assistance to entities receiving grants under paragraph (1)(A) of this subsection and subsection (a) regarding establishment, operation, and administration of effective and successful midnight basketball league programs under this subsection and subsection (c)(3).

"(C) NUMBER AND AMOUNT.—To the extent that amounts are provided in appropriations Acts under paragraph (13)(B) in each fiscal year, the Secretary shall make technical assistance grants under paragraph (1)(B). In each fiscal year that such amounts are available the Secretary shall make 4 such grants, as follows:

"(i) 2 grants shall be made to eligible advisory entities for development of midnight basketball league programs in public housing projects.

"(ii) 2 grants shall be made to eligible advisory entities for development of midnight basketball league programs in suburban or rural areas.

Each grant shall be in an amount not exceeding $25,000.

"(9) ADVISORY COMMITTEE.—The Secretary of Housing and Urban Development shall appoint an Advisory Committee to assist the Secretary in providing grants under this subsection. The Advisory Committee shall be composed of not more than 7 members, as follows:

"(A) Not less than 2 individuals who are involved in managing or administering midnight basketball programs that the Secretary determines have been successful and effective. Such individuals may not be involved in a program assisted under this subsection or a member or employee of an eligible advisory entity that receives a technical assistance grant under paragraph (1)(B).

"(B) A representative of the Center for Substance Abuse Prevention of the Public Health Service, Department of Health and Human Services, who is involved in administering the grant program for prevention, treatment, and rehabilitation model projects for high risk youth under section 509A of the Public Health Service Act (42 U.S.C. 290aa-8), who shall be selected by the Secretary of Health and Human Services.

"(C) A representative of the Department of Education, who shall be selected by the Secretary of Education.

"(D) A representative of the Department of Health and Human Services, who shall be selected by the Secretary of Health and Human Services from among officers and employees of the Department involved in issues relating to high-risk youth.

"(10) REPORTS.—The Secretary shall require each eligible entity receiving a grant under paragraph (1)(A) and each eligible advisory entity receiving a grant under paragraph (1)(B) to submit to the Secretary, for each year in which grant amounts are received by the entity, a report describing the activities carried out with such amounts.

"(11) STUDY.—To the extent amounts are provided under appropriation Acts pursuant to paragraph (13)(C), the Secretary shall make a grant to one entity qualified to carry out a study under this paragraph. The entity shall use such grant amounts to carry out a scientific study of the effectiveness of midnight basketball league programs under paragraph (4) of eligible entities receiving grants under paragraph (1)(A). The Secretary shall require such entity to submit a report describing the study and any conclusions and recommendations resulting from the study to the Congress and the Secretary not later than the expiration of the 2-year period beginning on the date that the grant under this paragraph is made.

"(12) DEFINITIONS.—For purposes of this subsection:

"(A) The term 'Advisory Committee' means the Advisory Committee established under paragraph (9).

"(B) The term 'eligible advisory entity' means an entity meeting the requirements under paragraph (8)(A).

"(C) The term 'eligible entity' means an entity described under paragraph (2)(A).

"(D) The term 'federally assisted low-income housing' has the meaning given the term in section 5126 of the Public and Assisted Housing Drug Elimination Act of 1990.

"(13) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated—

"(A) for grants under paragraph (1)(A), $2,650,000 in each of fiscal years 1994 and 1995;

"(B) for technical assistance grants under paragraph (1)(B), $100,000 in each of fiscal years 1994 and 1995; and

"(C) for a study grant under paragraph (11), $250,000 in fiscal year 1994.".

SEC. 703. PUBLIC HOUSING MIDNIGHT BASKETBALL LEAGUE PROGRAMS.

Section 520(c) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C 11903a(c)) is amended by adding at the end the following new paragraph:

"(3) MIDNIGHT BASKETBALL LEAGUE PROGRAMS.—Notwithstanding any other provision of this subsection and subsection (d), a grant under this section may be used to carry out any youth sports program that meets the requirements of a midnight basketball league program under subsection (1)(4) (not including subparagraph (B) of such subsection) if the program serves primarily youths and young adults from the public housing project in which the program assisted by the grant is operated.".

TITLE VIII—YOUTH VIOLENCE IN SCHOOLS AND COMMUNITIES

SEC. 801. PURPOSE.

It is the purpose of this title to help local communities achieve Goal Six of the National Education Goals, which provides that by the year 2000, every school in America will be free of drugs and violence and will offer a disciplined environment conducive to learning, by strengthening local disciplinary control.

SEC. 802. FINDINGS.

The Congress finds that—

(1) the violence within elementary and secondary schools across the Nation has increased dramatically during the past decade;

(2) almost 3,000,000 crimes occur on or near school campuses every year, with 16,000 crimes occurring per school day or one crime occurring every 6 seconds;

(3) 20 percent of teachers in schools have reported being threatened with violence by a student;

(4) schools are being asked to take on responsibilities that society as a whole has neglected, and teachers and principals are being forced to referee fights rather than teach;

(5) over two-thirds of public school teachers have been verbally abused, threatened with injury, or physically attacked;

(6) violent or criminal behavior by students interferes with a teacher's ability to teach in a safe environment the students not exhibiting such behavior;

(7) 40 percent of all students do not feel safe in school and 50 percent of all students know someone who switched schools to feel safer;

(8) nearly one-half of the teachers who leave the teaching profession cite discipline problems as one of the main reasons for leaving such profession; and

(9) a lack of parental involvement contributes strongly to school violence.

SEC. 803. PROVISIONS.

(a) LOCAL DISCIPLINE CONTROL.—No Federal law or regulation, except education and civil rights laws protecting individuals with disabilities, or State policy implementing such a Federal law or regulation, shall restrict any local educational agency, or elementary or secondary school, from developing and implementing disciplinary policies and action with respect to criminal or violent acts of students, occurring on school premises, in order to create an environment conducive to learning.

(b) SHARED INFORMATION.—No Federal law or regulation, or State policy implementing such a Federal law or regulation, shall restrict any local educational agency or elementary or secondary school from requesting and receiving information from a State agency, local educational agency, or an elementary or secondary school regarding a conviction or juvenile adjudication, within five years of the date of the request, or a pending prosecution for a violent or weapons offense, of a student who is attending an elementary or secondary school served by the local educational agency, or the elementary or secondary school, requesting such information.

(c) PARENTAL RESPONSIBILITY.—It is the policy of the Congress that States, in cooperation with local educational agencies, schools, and parent groups, should be encouraged to enforce disciplinary policies with respect to parents of children who display criminal or violent behavior toward teachers, students, other persons, or school property.

TITLE IX—EDUCATIONAL RESEARCH AND IMPROVEMENT

SEC. 901. SHORT TITLE.

This title may be cited as the "Educational Research and Improvement Act of 1994".

PART A—OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT

SEC. 911. REPEAL.

(a) REPEAL.—Section 405 of the General Education Provisions Act (20 U.S.C. 1221e) is repealed.

(b) CONFORMING AMENDMENT.—The second sentence of section 209 of the Department of Education Organization Act (20 U.S.C. 3419) is amended by inserting "and such functions as set forth in section 102 of the Educational Research and Improvement Act of 1993" after "delegate".

SEC. 912. OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT.

(a) PURPOSES; COMPOSITION; DEFINITIONS.—

(1) PURPOSES.—The purposes of the Office of Educational Research and Improvement are to—

(A) assess, promote, and improve the quality and equity of education in the United States, so that all Americans have an equal opportunity to receive an education of the highest quality;

(B) provide new directions for federally supported research and development activities with a view toward reform in the Nation's school systems, achieving the National Education Goals and affecting national policy for education;

(C) provide leadership in the scientific inquiry into the educational process;

(D) provide leadership in advancing the practice of education as an art, science, and profession;

(E) collect, analyze, and disseminate statistics and other data related to education in the United States and other nations; and

(F) make available to the Congress and the people of the United States the results of research and development activities in the field of education in order to bring research directly to the classroom to improve educational practice.

(2) COMPOSITION.—

(A) IN GENERAL.—The Office shall be administered by the Assistant Secretary and shall include—

(i) the Advisory Board of Educational Research described in subparagraph (B);

(ii) the directorates for educational research described in subsections (c) through (h);

(iii) the regional educational laboratories described in subsection (k);

(iv) the Office of Dissemination and Reform Assistance described in subsection (m);

(v) the National Education Library described in subsection (o);

(vi) the Education Resources Information Clearinghouses described in subsection (p);

(vii) the National Center for Education Statistics, including the National Assessment of Educational Progress; and

(viii) such other entities as the Assistant Secretary deems appropriate to carry out the purposes of the Office.

(B) ADVISORY BOARD OF EDUCATIONAL RESEARCH.—

(i) ADVISORY BOARD OF EDUCATIONAL RESEARCH.—The Advisory Board of Educational Research shall consist of 9 members to be appointed by the Secretary. The Assistant Secretary shall serve as an ex officio member.

(ii) QUALIFICATIONS.—

(I) IN GENERAL.—The persons appointed as members of the Advisory Board shall be appointed solely on the basis of—

(aa) eminence in the fields of basic or applied research, or dissemination of such research; or

(bb) established records of distinguished service in educational research and the education professions, including practitioners.

(II) CONSIDERATION.—In making appointments under this clause, the Secretary shall give due consideration to the equitable representation of educational researchers who—

(aa) are women;

(bb) represent minority groups; or

(cc) are classroom teachers with research experience.

(III) RECOMMENDATIONS.—In making appointments under this clause, the Secretary shall give due consideration to any recommendations for an appointment which may be submitted to the Secretary by a variety of groups with prominence in educational research and development, including the National Academy of Education and the National Academy of Sciences.

(IV) A member of the Advisory Board may not serve on any other Department of Education advisory board, or as a paid consultant of such Department.

(iii) TERM.—(I) The term of office of each member of the Advisory Board shall be 6 years, except that initial appointments shall be made to ensure staggered terms, with one-third of such members' terms expiring every 2 years. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall be appointed for the remainder of such term. Any person, other than the Assistant Secretary, who has been a member of the Advisory Board for 12 consecutive years shall thereafter be ineligible for appointment during the 6-year period following such twelfth year.

(II) PROHIBITION REGARDING REMOVAL.—The Secretary shall neither remove nor encourage the departure of a member of the Advisory Board appointed in accordance with this subparagraph before the expiration of such member's term.

(III) CHAIRPERSON.—The members of the Advisory Board shall select a Chairperson from among such members.

(IV) QUORUM.—A majority of the appointed members of the Advisory Board shall constitute a quorum.

(V) STAFF.—From amounts appropriated pursuant to the authority of subsection (q)(1)(A), the Advisory Board, in consultation with the Assistant Secretary, shall recommend for appointment such staff as may be necessary. Such staff shall be appointed by the Assistant Secretary and assigned at the direction of the Advisory Board.

(iv) RESPONSIBILITIES.—The Advisory Board shall provide oversight of the Office, and shall—

(I) advise the Nation on the Federal research and development effort;

(II) recommend ways for strengthening active partnerships among researchers, educational practitioners, librarians, and policymakers;

(III) recommend ways to strengthen interaction and collaboration between the various program offices and components;

(IV) solicit advice and information from the educational field, to define research needs and suggestions for research topics, and shall involve educational practitioners, particularly teachers, in this process;

(V) solicit advice from practitioners, policymakers, and researchers, and recommend missions for the national research centers assisted under this section by identifying topics which require long-term, sustained,

systematic, programmatic, and integrated research and dissemination efforts;

(VI) provide recommendations for translating research findings into workable, adaptable models for use in policy and in practice across different settings, and recommendations for other forms of dissemination;

(VII) provide recommendations for creating incentives to draw talented young people into the field of educational research, including scholars from disadvantaged and minority groups;

(VIII) provide recommendations for new studies to close gaps in the research base;

(IX) evaluate and provide recommendations to the President and the Congress regarding the quality of research conducted through each directorate and regional educational laboratory, the relevance of the research topics, and the effectiveness of the dissemination of each directorate's and laboratory's activities;

(X) advise the Assistant Secretary on standards and guidelines for research programs and activities to ensure that research is of high quality and free from partisan political influence; and

(XI) provide recommendations to promote coordination and synthesis of research among directorates.

(v) COMMITTEES AND REPORTS.—

(I) IN GENERAL.—The Advisory Board is authorized to appoint from among its members such committees as the Advisory Board deems necessary, and to assign to committees so appointed such survey and advisory functions as the Advisory Board deems appropriate to assist the Advisory Board in exercising its powers and functions under this section.

(II) From amounts appropriated pursuant to subsection (q)(1), the Advisory Board shall transmit to the President, for submission to the Congress not later than January 15 of each even-numbered year, a report on the activities of the Office, and on education, educational research, national indicators, and data-gathering in general.

(3) DEFINITIONS.—For the purposes of this section—

(A) the term "Advisory Board" means the Advisory Board of Educational Research established under paragraph (2)(B);

(B) the term "Assistant Secretary" means the Assistant Secretary for Educational Research and Improvement established by section 202 of the Department of Education Organization Act;

(C) the term "development" means transformation or adaptation of research results into usable forms, in order to contribute to the improvement of educational practice;

(D) the term "dissemination" means the communication and transfer of the results of research and proven practice in forms that are understandable, easily accessible and usable or adaptable for use in the improvement of educational practice by teachers, administrators, librarians, other practitioners, researchers, policymakers, and the public;

(E) the term "education research" includes basic and applied research, inquiry with the purpose of applying tested knowledge gained to specific educational settings and problems, development, planning, surveys, assessments, evaluations, investigations, experiments, and demonstrations in the field of education and other fields relating to education;

(F) the term "field-initiated research" means education research in which topics and methods of study are generated by investigators, including teachers and other practitioners, not by the source of funding;

(G) the term "Indian reservation" means a reservation, as such term is defined in—

(i) section 3(d) of the Indian Financing Act of 1974 (25 U.S.C. 1452(d)); or

(ii) section 4(10) of the Indian Child Welfare Act of 1978 (25 U.S.C. 1903(10));

(H) the term "Office", unless otherwise specified, means the Office of Educational Research and Improvement established by section 209 of the Department of Education Organization Act; and

(I) the term "technical assistance" means assistance in identifying, selecting, or designing solutions based on research to address educational problems, planning and design that leads to adapting research knowledge to school practice, training to implement such solutions, and other assistance necessary to encourage adoption or application of research.

(b) AUTHORIZED ACTIVITIES.—

(1) OFFICE.—In fulfilling its purposes under this section, the Office is authorized to—

(A) conduct and support education-related research activities, including basic and applied research, development, planning, surveys, assessments, evaluations, investigations, experiments, and demonstrations of national significance;

(B) disseminate the findings of education research, and provide technical assistance to apply such information to specific school problems at the school site;

(C) collect, analyze, and disseminate data related to education, and to library and information services;

(D) promote the use of knowledge gained from research and statistical findings in schools, other educational institutions, and communities;

(E) provide training in education research; and

(F) promote the coordination of education research and research support within the Federal Government, and otherwise assist and foster such research.

(2) OPEN COMPETITION.—All grants, contracts, and cooperative agreements awarded or entered into pursuant to this section shall be awarded or entered into through a process of open competition and peer review that shall be announced in the Federal Register or other publication that the Secretary determines appropriate.

(3) ASSISTANT SECRETARY.—

(A) IN GENERAL.—In carrying out the activities and programs of the Office, the Assistant Secretary shall—

(i) ensure that there is broad and regular public and professional involvement from the educational field in the planning and carrying out of the Office's activities, including establishing teacher advisory boards for any program office, program or project of the Office as the Assistant Secretary deems necessary, and involving Indian and Alaska Native researchers and educators in activities that relate to the education of Indian and Alaska Native people;

(ii) ensure that the selection of research topics and the administration of the program are free from partisan political influence;

(iii) develop directly, or through grant or contract, standards and guidelines for research, programs and activities carried out through the Office;

(iv) establish a long- and short-term research agenda in consultation with the Advisory Board; and

(v) review research priorities established within each directorate and promote research syntheses across the directorates.

(B) INFORMATION AND TECHNICAL ASSISTANCE.—The Assistant Secretary is authorized to offer information and technical assistance to State and local educational agencies, school boards, and schools, including schools funded by the Bureau of Indian Affairs, to ensure that no student is—

(i) denied access to the same rigorous, challenging curriculum that such student's peers are offered; or

(ii) grouped or otherwise labeled in such a way that may impede such student's achievement.

(C) LONG-TERM AGENDA.—One year after the date of enactment of this Act, the Assistant Secretary shall submit a report to the President and to the Congress on a 6-year long-term plan for the educational research agenda for the Office. Upon submission of such report and every 2 years thereafter, the Assistant Secretary shall submit to the President and to the Congress a progress report on the 6-year plan, including an assessment of the success or failure of meeting the components of the 6-year plan, proposed modifications or changes to the 6-year plan, and additions to the 6-year plan.

(4) SECRETARY.—The Secretary shall enter into contracts for the conduct of independent evaluations of the programs and activities carried out through the Office in accordance with this section, and transmit such evaluations to the Congress, the President and the Assistant Secretary, in order to—

(A) evaluate—

(i) the effectiveness of the programs and activities of the Office; and

(ii) the implementation of projects and programs funded through the Office over time;

(iii) the impact of educational research on instruction at the school level; and

(iv) the ability of the Office to keep research funding free from partisan political interference;

(B) measure the success of educational information dissemination;

(C) assess the usefulness of research and activities carried out by the Office, including products disseminated by the Office; and

(D) provide recommendations for improvement of the programs of the Office.

(5) INTRADEPARTMENTAL COORDINATION.—(A) The Secretary shall establish and maintain a program designed to facilitate planning and cooperative research and development throughout the Department of Education.

(B) The program described in subparagraph (A) shall include—

(i) establishing and maintaining a database on all Department of Education funded research and improvement efforts;

(ii) coordinating the work of the various program offices within the Department of Education to avoid duplication;

(iii) working cooperatively with the employees of various program offices with the Department of Education on projects of common interest to avoid duplication; and

(iv) generally increasing communication throughout the Department of Education regarding education research.

(c) DIRECTORATES OF EDUCATIONAL RESEARCH.—

(1) REQUIREMENTS.—

(A) IN GENERAL.—In carrying out the functions of the Office, the Assistant Secretary shall establish 5 directorates of educational research in accordance with this section.

(B) DIRECTOR.—The Assistant Secretary shall appoint a Director for each directorate. Each such Director shall be a leading professional in the field relevant to the mission of the directorate.

(C) RESEARCH SYNTHESES.—The Assistant Secretary shall provide for and promote re-

search syntheses across the directorates in early childhood, elementary, secondary, vocational, and higher education, and shall coordinate research plans, projects, and findings across the directorates, placing a priority on synthesis and coordination between the directorates described in subsections (d) and (e). Each Director shall report directly to the Assistant Secretary, regarding the activities of the directorate, and shall work together to promote research syntheses across the directorates.

(2) DUTIES.—Each such directorate shall—

(A) carry out its activities directly or through grants, contracts, and cooperative agreements with institutions of higher education, public and private organizations, institutions, agencies or individuals, or a consortia thereof;

(B) conduct and support the highest quality basic and applied research in early childhood, elementary and secondary, vocational and higher education, including teacher education, which is relevant to the directorate;

(C) have improved student learning and achievement as its primary focus;

(D) promote research that is based in core content areas;

(E) conduct sustained research and development on improving the educational achievement of poor and minority individuals as an integral part of the directorates' work;

(F) serve as a national database on model and demonstration programs which have particular application to the activities of the directorate, particularly with respect to model programs conducted by businesses, private, and nonprofit organizations and foundations;

(G) support, plan, implement, and operate dissemination activities designed to bring the most effective research directly into classroom practice, school organization and management, teacher preparation and training, and libraries, and to the extent possible, carry out dissemination activities through the use of technology;

(H) support and provide research information that leads to policy formation for State legislatures, State and local boards of education, schools funded by the Bureau of Indian Affairs, and other policy and governing bodies, to assist such entities in identifying and developing effective policies to promote student achievement and school improvement;

(I) coordinate the directorate's activities with the activities of the regional educational laboratories established pursuant to subsection (k) and with other educational service organizations in designing the directorate's research agenda and projects in order to increase the responsiveness of such directorate to the needs of teachers and the educational field and to bring research findings directly into schools to ensure the greatest access at the local level to the latest research developments; and

(J) provide assistance to the Assistant Secretary in planning and coordinating syntheses that provide research knowledge related to each level of the education system (from preschool to higher education) to increase understanding of student performance across different educational levels.

(3) RESERVATIONS.—

(A) FIELD-INITIATED RESEARCH.—Each directorate shall reserve in each fiscal year not less than one-third of the amount available to such directorate to conduct field-initiated research.

(B) NATIONAL RESEARCH CENTERS.—Each directorate shall reserve in each fiscal year not less than one-third of the amount available to such directorate to award grants or enter into contracts with institutions of higher education, public agencies, or private nonprofit organizations, for the support of long-term national research centers of sufficient size, scope, and quality for educational research and development in accordance with paragraph (4), except that no such center shall receive such a grant or contract for less than $1,100,000 for such fiscal year. Each such center shall engage in research, development and dissemination involving topics relevant to the mission of the directorate supporting such center.

(C) SPECIAL RULE.—No research and development center supported by the Office and operating on the day preceding the date of enactment of this Act shall by reason of receipt of such support be ineligible to receive any other assistance from the Office authorized by law.

(4) NATIONAL RESEARCH CENTERS.—

(A) DURATION.—The grants or contracts awarded or entered into to support national research centers described in paragraph (3)(B) shall be awarded or entered into for a period of at least 5 years, and may be renewed for additional periods of 5 years after periodic review by the Assistant Secretary.

(B) REVIEW.—All applications to establish a national research center shall be reviewed by independent experts in accordance with standards and guidelines developed by the Office pursuant to subsections (a)(2)(B)(iv)(X) and (b)(3)(A)(iii). Such standards and guidelines shall include—

(i) whether applicants have assembled a group of high quality researchers sufficient to achieve the mission of the center;

(ii) whether the proposed organizational structure and arrangements will facilitate achievement of the mission of the center;

(iii) whether there is a substantial staff commitment to the work of the center;

(iv) whether the directors and support staff are full-time employees, to the extent practicable;

(v) review of the contributions of the applicant's primary researchers for the purpose of evaluating the appropriateness of such primary researchers' experiences and expertise in the context of the proposed center activities, and the adequacy of such primary researchers' time commitments to achievement of the mission of the center; and

(vi) the manner in which the results of education research will be disseminated for further use.

(5) PUBLICATION.—The Assistant Secretary shall publish proposed research priorities developed by each directorate in the Federal Register every 2 years, not later than October 1 of each year, and shall allow a period of 60 days for public comments and suggestions.

(d) NATIONAL DIRECTORATE ON CURRICULUM, INSTRUCTION, AND ASSESSMENT.—The Assistant Secretary shall establish and operate the National Directorate on Curriculum, Instruction, and Assessment. The directorate established under this subsection is authorized to conduct research on—

(1) methods to improve student achievement at all educational levels in core content areas;

(2) methods to improve the process of reading, the craft of writing, the growth of reasoning skills, and the development of information-finding skills;

(3) enabling students to develop higher order thinking skills;

(4) methods to teach effectively all students in mixed-ability classrooms;

(5) developing, identifying, or evaluating new educational assessments, including performance-based and portfolio assessments which demonstrate skill and a command of knowledge;

(6) standards for what students should know and be able to do, particularly standards of desired performance set at internationally competitive levels;

(7) the use of testing in the classroom and its impact on improving student achievement, including an analysis of how testing affects what is taught;

(8) test bias as such bias affects historically underserved girls, women, and minority populations;

(9) test security, accountability, validity, reliability and objectivity;

(10) relevant teacher training and instruction in giving a test, scoring a test and in the use of test results to improve student achievement;

(11) curriculum development designed to meet challenging standards, including State efforts to develop such curriculum;

(12) the need for, and methods of delivering, teacher education, development, and in-service training;

(13) curriculum, instruction, and assessment in vocational education and school-to-work transition;

(14) educational methods and activities to reduce and prevent violence in schools;

(15) the use of technology in learning, teaching, and testing;

(16) methods of involving parents in their children's education and ways to involve business, industry, and other community partners in promoting excellence in schools; and

(17) other topics relevant to the mission of the directorate.

(e) NATIONAL DIRECTORATE ON THE EDUCATIONAL ACHIEVEMENT OF HISTORICALLY UNDERSERVED POPULATIONS.—The Assistant Secretary shall establish and operate a National Directorate on the Educational Achievement of Historically Underserved Populations, the activities of which shall be closely coordinated with those of the directorate described in subsection (d). The directorate established under this subsection is authorized to conduct research on—

(1) the quality of educational opportunities afforded historically underserved populations, including minority students, students with disabilities, economically disadvantaged students, girls, women, limited-English proficient students, and Indian and Alaska Native students, particularly the quality of educational opportunities afforded such populations in highly concentrated urban areas and sparsely populated rural areas;

(2) effective institutional practices for expanding opportunities for such groups;

(3) methods for overcoming the barriers to learning that may impede student achievement;

(4) innovative teacher training and professional development methods to help the historically underserved meet challenging standards;

(5) the use of technology to improve the educational opportunities and achievement of the historically underserved;

(6) the means by which parents, community resources and institutions (including cultural institutions) can be utilized to support and improve the achievement of at-risk students;

(7) methods to improve the quality of the education of American Indian and Alaska Native students not only in schools funded by the Bureau of Indian Affairs, but also in public elementary and secondary schools lo-

cated on or near Indian reservations, including—

(A) research on mechanisms to facilitate the establishment of tribal departments of education that assume responsibility for all education programs of State educational agencies operating on an Indian reservation and all education programs funded by the Bureau of Indian Affairs on an Indian reservation;

(B) research on the development of culturally appropriate curriculum for American Indian and Alaska Native students, including American Indian and Alaska Native culture, language, geography, history and social studies, and graduation requirements related to such curriculum;

(C) research on methods for recruiting, training and retraining qualified teachers from American Indian and Alaska Native communities, including research to promote flexibility in the criteria for certification of such teachers;

(D) research on techniques for improving the educational achievement of American Indian and Alaska Native students, including methodologies to reduce dropout rates and increase graduation by such students; and

(E) research concerning the performance by American Indian and Alaska Native students of limited-English proficiency on standardized achievement tests, and related factors; and

(8) other topics relevant to the mission of the directorate.

(f) NATIONAL DIRECTORATE ON EARLY CHILDHOOD DEVELOPMENT AND EDUCATION.—The Assistant Secretary shall establish and operate the National Directorate on Early Childhood Development and Education, which shall have a special emphasis on families and communities as families and communities relate to early childhood education. The directorate established under this subsection is authorized to conduct research on—

(1) effective teaching and learning methods, and curriculum;

(2) instruction that considers the cultural experiences of children;

(3) access to current materials in libraries;

(4) family literacy and parental involvement in student learning;

(5) the impact that outside influences have on learning, including television, and drug and alcohol abuse;

(6) methods for integrating learning in settings other than the classroom, particularly within families and communities;

(7) teacher training;

(8) readiness to learn, including topics such as prenatal care, nutrition, and health services;

(9) the use of technology, including methods to help parents instruct their children; and

(10) other topics relevant to the mission of the directorate.

(g) NATIONAL DIRECTORATE ON ELEMENTARY AND SECONDARY EDUCATIONAL GOVERNANCE, FINANCE, POLICYMAKING, AND MANAGEMENT.—The Assistant Secretary shall establish and operate a National Directorate on Elementary and Secondary Educational Governance, Finance, Policymaking, and Management. The directorate established under this subsection is authorized to conduct research on—

(1) the relationship among finance, organization, and management, and educational productivity, particularly with respect to student achievement across educational levels and core content areas;

(2) school-based management, shared decisionmaking and other innovative school structures, and State and local reforms and educational policies, which show promise for improving student achievement;

(3) innovative school design, including lengthening the school day and the school year, reducing class size and building professional development into the weekly school schedule and, as appropriate, conducting such further research as may be recommended or suggested by the report issued by the National Education Commission on Time and Learning pursuant to section 443 of the General Education Provisions Act;

(4) the social organization of schooling and the inner-workings of schooling;

(5) policy decisions at all levels and the impact of such decisions on school achievement and other student outcomes;

(6) effective approaches to organizing learning;

(7) effective ways of grouping students for learning so that a student is not labeled or stigmatized in ways that may impede such student's achievement;

(8) the amount of dollars allocated for education that are actually spent on classroom instruction;

(9) the organization, structure, and finance of vocational education;

(10) disparity in school financing among States, school districts, and schools funded by the Bureau of Indian Affairs;

(11) the use of technology in areas such as assisting in school-based management or ameliorating the effects of disparity in school financing among States, school districts, and schools funded by the Bureau of Indian Affairs;

(12) approaches to systemic reforms involving the coordination of multiple policies at the local, State, and Federal levels of government to promote higher levels of student achievement;

(13) the special adult education needs of historically underserved and minority populations;

(14) the involvement of parents and families in the management and governance of schools and the education of their children; and

(15) other topics relevant to the mission of the directorate.

(h) NATIONAL DIRECTORATE ON ADULT EDUCATION, LITERACY AND LIFELONG LEARNING.—The Assistant Secretary shall establish and operate a National Directorate on Adult Education, Literacy and Lifelong Learning. The directorate established under this subsection is authorized to conduct research on—

(1) learning and performance of adults, and policies and methods for improving learning in contexts that include school-to-work, worker retraining, and second-language acquisition;

(2) the most effective training methods for adults to upgrade education and vocational skills;

(3) opportunities for adults to continue their education beyond higher education and graduate school, in the context of lifelong learning and information-finding skills;

(4) adult literacy and effective methods, including technology, to eliminate illiteracy;

(5) preparing students for a lifetime of work, the ability to adapt through retraining to the changing needs of the work force and the ability to learn new tasks;

(6) the use of technology to develop and deliver effective training methods for adults to upgrade their education and their vocational skills; and

(7) other topics relevant to the mission of the directorate.

(i) PERSONNEL.—

(1) IN GENERAL.—The Assistant Secretary may appoint, for terms not to exceed 3 years (without regard to the provisions of title 5, United States Code governing appointment in the competitive service) and may compensate (without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates) such scientific or professional employees of the Office as the Assistant Secretary considers necessary to accomplish the functions of the Office. Such employees shall not exceed one-fifth of the number of full-time, regular scientific or professional employees of the Office. The rate of basic pay for such employees may not exceed the maximum annual rate of pay for grade GS–15 under section 5332 of title 5, United States Code.

(2) REAPPOINTMENT.—The Assistant Secretary may reappoint employees described in paragraph (1) upon presentation of a clear and convincing justification of need, for 1 additional term not to exceed 3 years. All such employees shall work on activities of the Office and shall not be reassigned to other duties outside the Office during their term.

(j) SELECTION PROCEDURES AND FELLOWSHIPS.—

(1) SELECTION PROCEDURES.—When making competitive awards under this section, the Assistant Secretary shall—

(A) solicit recommendations and advice regarding research priorities, opportunities, and strategies from qualified experts, such as education professionals and policymakers, librarians, personnel of the regional educational laboratories described in subsection (k) and of the research and development centers assisted under this section, and the Advisory Board, as well as parents and other members of the general public;

(B) employ suitable selection procedures using the procedures and principles of peer review providing an appropriate balance between expertise in research and practice for all proposals so that technical research merit is judged by research experts and programmatic relevance is judged by program experts, except where such peer review procedures are clearly inappropriate given such factors as the relatively small amount of a grant or contract or the exigencies of the situation; and

(C) determine that the activities assisted will be conducted efficiently, will be of high quality, and will meet priority research and development needs under this section.

(2) FELLOWSHIPS.—

(A) PUBLICATION.—The Assistant Secretary shall publish proposed research priorities for the awarding of research fellowships under this paragraph in the Federal Register every 2 years, not later than October 1 of each year, and shall allow a period of 60 days for public comments and suggestions.

(B) COMPETITION.—Prior to awarding a fellowship under this paragraph, the Assistant Secretary shall invite applicants to compete for such fellowships through notice published in the Federal Register.

(C) AUTHORITY.—From amounts appropriated pursuant to the authority of subsection (q)(1), the Assistant Secretary may establish and maintain research fellowships in the Office, for scholars, researchers, policymakers, education practitioners, librarians, and statisticians engaged in the use, collection, and dissemination of information about education and educational research. Subject to regulations published by the Assistant Secretary, fellowships may include such stipends and allowances, including trav-

el and subsistence expenses provided under title 5, United States Code, as the Assistant Secretary considers appropriate.

(k) REGIONAL EDUCATIONAL LABORATORIES FOR RESEARCH, DISSEMINATION, AND TECHNICAL ASSISTANCE.—

(1) AUTHORITY.—

(A) IN GENERAL.—Subject to subparagraph (B), the Assistant Secretary shall support at least 10 but not more than 20 regional educational laboratories established by public agencies or private nonprofit organizations.

(B) SPECIAL RULE.—In any fiscal year in which the amount appropriated pursuant to the authority of subsection (q)(2) exceeds $38,000,000, the Assistant Secretary may use the amount in excess of $38,000,000 to support a regional educational laboratory serving a region not in existence on the day preceding the date of enactment of this Act, if such amount is equal to or exceeds $2,000,000.

(C) PRIORITY.—The Assistant Secretary shall give priority to supporting a regional educational laboratory that involves the combination or subdivision of a region or regions, such that States within a region in existence on the day preceding the date of enactment of this Act may be combined with States in another such region to form a new region so long as such combination does not result in any region in existence on such date permanently becoming part of a larger region, nor of any such region permanently subsuming another region.

(2) DEFINITION.—For purposes of this subsection, the term "regional educational laboratory" means a public agency or institution or a private nonprofit organization that—

(A) serves the education improvement needs in a geographic region of the United States; and

(B) advances the National Education Goals.

(3) DUTIES.—Each regional educational laboratory shall—

(A) have as its central mission and primary function—

(i) to develop and disseminate educational research products and processes to schools, teachers, local educational agencies, State educational agencies, librarians, and schools funded by the Bureau of Indian Affairs; and

(ii) through such development and dissemination and the provision of technical assistance, to help all students learn to challenging standards;

(B) provide technical assistance to State and local educational agencies, school boards, schools funded by the Bureau of Indian Affairs, State boards of education, schools, and librarians in accordance with the prioritization described in paragraph (4)(B)(vi) and needs related to standard-driven education reform;

(C) facilitate school restructuring at the individual school level, including technical assistance for adapting model demonstration grant programs to each school;

(D) serve the educational development needs of the region by providing education research in usable forms in order to promote school improvement and academic achievement and to correct educational deficiencies;

(E) develop a plan for identifying and serving the needs of the region by conducting a continuing survey of the educational needs, strengths, and weaknesses within the region, including a process of open hearings to solicit the views of schools, teachers, administrators, parents, local educational agencies, librarians, and State educational agencies within the region;

(F) use applied educational research to assist in solving site-specific problems and to assist in development activities;

(G) conduct applied research projects designed to serve the particular needs of the region only in the event that such quality applied research does not exist as determined by the regional education laboratory or the Department of Education;

(H) facilitate communication between educational experts, school officials, and teachers, parents, and librarians, to enable such individuals to assist schools to develop a plan to meet the National Education Goals;

(I) bring teams of experts together to develop and implement school improvement plans and strategies;

(J) provide training in—

(i) the field of education research and related areas;

(ii) the use of new educational methods; and

(iii) the use of information-finding methods, practices, techniques, and products developed in connection with such training for which the regional educational laboratory may support internships and fellowships and provide stipends;

(K) coordinate such laboratory's activities with the directorates assisted under this section in designing such laboratory's services and projects, in order to—

(i) maximize the use of research conducted through the directorates in the work of such laboratory;

(ii) keep the directorates apprised of the work of the regional educational laboratories in the field; and

(iii) inform the directorates about additional research needs identified in the field;

(L) develop with the State educational agencies and library agencies in the region and the Bureau of Indian Affairs a plan for serving the region;

(M) collaborate and coordinate services with other technical assistance funded by the Department of Education; and

(N) cooperate with other regional laboratories to develop and maintain a national network that addresses national education problems.

(4) GOVERNING BOARD.—

(A) IN GENERAL.—In carrying out the activities described in paragraph (3), each regional educational laboratory shall operate under the direction of a governing board, the members of which—

(i) are representative of that region; and

(ii) include teachers and education researchers.

(B) DUTIES.—Each such governing board shall—

(i) determine, subject to the requirements of this section and in consultation with the Assistant Secretary, the mission of the regional educational laboratory;

(ii) ensure that the regional educational laboratory attains and maintains a high level of quality in its work and products;

(iii) establish standards to ensure that the regional educational laboratory has strong and effective governance, organization, management, and administration, and employs qualified staff;

(iv) direct the regional educational laboratory to carry out the regional educational laboratory's duties in a manner as will make progress toward achieving the National Education Goals and reforming schools and educational systems;

(v) conduct a continuing survey of the educational needs, strengths, and weaknesses within the region, including a process of open hearings to solicit the views of schools and teachers; and

(vi) prioritize the needs of economically disadvantaged urban and rural areas within the region and ensure that such needs are served by the regional educational laboratory.

(5) APPLICATION.—Each entity desiring support for a regional educational laboratory shall submit to the Assistant Secretary an application that contains such information as the Assistant Secretary may reasonably require, including assurances that a regional educational laboratory will address the activities described in paragraph (3).

(6) ADDITIONAL PROJECTS.—In addition to activities described in paragraph (3), the Assistant Secretary, from amounts appropriated pursuant to subsection (q)(4), is authorized to enter into agreements with a regional educational laboratory for the purpose of carrying out additional projects to enable such regional educational laboratory to assist in efforts to achieve the National Education Goals and for other purposes.

(7) SPECIAL RULE.—No regional educational laboratory shall, by reason of receipt of assistance under this section, be ineligible to receive any other assistance from the Office authorized by law or be prohibited from engaging in activities involving international projects or endeavors.

(8) PLAN.—Not later than July 1 of each year, each regional educational laboratory shall submit to the Assistant Secretary a plan covering the succeeding fiscal year, in which such laboratory's mission, activities and scope of work are described, including a general description of—

(A) the plans such laboratory expects to submit in the 4 succeeding years; and

(B) an assessment of how well such laboratory is meeting the needs of the region.

(9) CONTRACT DURATION.—The Assistant Secretary shall enter into a contract for the purpose of supporting a regional educational laboratory under this subsection for a minimum of 5 years. The Secretary shall ensure that the recompetition cycles for new contracts for regional educational laboratories are carried out in such a manner that the expiration of the laboratory contracts is consistent with the reauthorization cycle.

(10) REVIEW.—The Assistant Secretary shall review the work of each regional educational laboratory in the third year that such laboratory receives assistance under this subsection, and shall evaluate the performance of such laboratory's activities to determine if such activities are consistent with the duties described in paragraph (3).

(11)± CONSTRUCTION.—Nothing in this subsection shall be construed to require any modifications in the regional educational laboratory contracts in effect on the day preceding the date of enactment of this Act.

(12) ADVANCE PAYMENT SYSTEM.—Each regional educational laboratory shall participate in the advance payment system of the Department of Education.

(13) COORDINATION.—The regional education laboratories shall work collaboratively, and coordinate the services such laboratories provide, with the technical assistance centers authorized under the Elementary and Secondary Education Act of 1965.

(l) TEACHER RESEARCH DISSEMINATION DEMONSTRATION PROGRAM.—

(1) FINDINGS.—The Congress finds that—

(A) education research, including research funded by the Office, is not having the impact on the Nation's schools that such research should;

(B) relevant education research and resulting solutions are not being adequately disseminated to and used by the teachers that need such research and solutions;

(C) there are insufficient linkages between the research and development centers assisted under this section, the regional educational laboratories described in subsection (k), the National Diffusion Network State facilitators, the Education Resources Information Clearinghouses, the comprehensive technical assistance centers assisted under the Elementary and Secondary Education Act of 1965, and the public schools to ensure that research on effective practice is disseminated and technical assistance provided to all teachers;

(D) the average teacher has little time to plan or engage in a professional dialogue with peers about strategies for improved learning;

(E) teachers do not have direct access to information systems or networks;

(F) teachers have little control over what inservice education teachers will be offered; and

(G) individual teachers are not encouraged to move beyond the walls of their school buildings to identify and use outside resources.

(2) ESTABLISHMENT.—

(A) IN GENERAL.—The Secretary is authorized to make grants to, and enter into contracts or cooperative agreements with, public and private agencies and organizations, including institutions of higher education, the regional education laboratories, and the research and development centers, or consortia thereof—

(i) to develop and carry out projects that demonstrate effective strategies for helping elementary and secondary education teachers, in both urban and rural areas, become knowledgeable about, assist in the design and use of, and use, education research, including education research carried out under this section; and

(ii) to develop, implement, and evaluate models for creation of teacher research dissemination networks.

(B) PRIORITY.—In awarding grants and entering into contracts and cooperative agreements under subparagraph (A) the Secretary shall give priority to entities that have received Federal funds for research and dissemination.

(3) APPLICATIONS.—

(A) IN GENERAL.—An entity desiring to receive assistance under this subsection shall submit an application to the Secretary in such form, at such time, and containing such information and assurances as the Secretary may require.

(B) CONTENTS.—Each such application shall describe how the project described in the application—

(i) was developed with the active participation of elementary and secondary school teachers;

(ii) will include the continuing participation of elementary and secondary school teachers in the management of the project;

(iii) is organized around one or more significant research topics;

(iv) will involve collaboration with entities that have received Federal funds for research and dissemination; and

(v) will sustain over time teacher research dissemination networks after Federal funding for such networks terminates.

(4) USE OF FUNDS.—Funds provided under this subsection may be used—

(A) to train elementary and secondary education teachers (particularly new teachers) about the sources of education research findings, including research findings available through activities supported by the Office, and how to access and use such findings to improve the quality of instruction;

(B) to develop simple formats, both administrative and technological, that allow elementary and secondary education teachers easy access to and use of education research findings;

(C) to share strategies and materials;

(D) to support professional networks;

(E) to survey teacher needs in the areas of research and development; and

(F) for other activities designed to support elementary and secondary education teachers in becoming knowledgeable about, assisting in the design of, and using, educational research.

(5) STIPENDS.—The Secretary may provide for the payment of such stipends (including allowances for subsistence and other expenses for elementary and secondary teachers), as the Secretary determines to be appropriate, to teachers participating in the projects authorized under this subsection.

(6) COORDINATION.—Recipients of funds under this subsection shall, to the greatest extent possible, coordinate their activities with related activities under the Elementary and Secondary Education Act of 1965.

(7) REPORT.—The Secretary shall, within 5 years of the date of enactment of this Act, submit to the Congress a report on the effectiveness of activities assisted under this subsection.

(m) OFFICE OF DISSEMINATION AND REFORM ASSISTANCE.—

(1) IN GENERAL.—The Assistant Secretary shall establish an Office of Dissemination and Reform Assistance, which may include the Education Resources Information Clearinghouses, the regional educational laboratories, the National Clearinghouse for Science and Mathematics Resources, the National Diffusion Network, the National Education Library, and such other programs and activities as the Assistant Secretary deems appropriate. The Office of Dissemination and Reform Assistance shall be headed by a Director who shall be appointed by the Assistant Secretary and have a demonstrated expertise and experience in dissemination.

(2) DUTIES.—In carrying out its dissemination activities, the Office of Dissemination and Reform Assistance shall—

(A) operate a depository for all Department of Education publications and products and make available for reproduction such publications and products;

(B) coordinate the dissemination efforts of all Office of Educational Research and Improvement program offices, the regional educational laboratories, the directorates assisted under this section, the National Diffusion Network, and the Education Resources Information Clearinghouses;

(C) disseminate relevant and useful research, information, products, and publications developed through or supported by the Department of Education to schools throughout the Nation;

(D) develop the capacity to connect schools and teachers seeking information with the relevant regional educational laboratories assisted under subsection (k), the National Diffusion Network, the directorates assisted under this section, and the Education Resources Information Clearinghouses; and

(E) provide an annual report to the Secretary regarding the types of information, products, and services that teachers, schools, and school districts have requested and have determined to be most useful, and describe future plans to adapt Department of Education products and services to address the needs of the users of such information, products, and services.

(3) ADDITIONAL ACTIVITIES.—In addition, the Office of Dissemination and Reform Assistance may—

(A) use media and other educational technology to carry out dissemination activities, including program development;

(B) establish and maintain a database on all research and improvement efforts funded through the Department of Education;

(C) actively encourage cooperative publishing of significant publications;

(D) disseminate information on successful models and educational methods which have been recommended to the Office of Dissemination and Reform Assistance by educators, educational organizations, nonprofit organizations, businesses, and foundations, and disseminate such models by including, with any such information, an identification of the entity or entities that have recommended the program; and

(E) engage in such other dissemination activities as the Assistant Secretary determines necessary.

(n) NATIONAL DIFFUSION NETWORK STATE FACILITATORS.—The National Diffusion Network described in section 1562 of the Elementary and Secondary Education Act of 1965 is authorized to provide information through National Diffusion Network State facilitators on model or demonstration projects funded by the Department of Education. For purposes of carrying out this subsection, information on such model projects does not have to be approved through the program effectiveness panel, but may be provided directly through the State facilitators. In addition, the National Diffusion Network may disseminate other information available through the Office of Education Dissemination and Reform Assistance established under subsection (m) through the National Diffusion Network.

(o) NATIONAL EDUCATION LIBRARY.—

(1) ESTABLISHMENT.—There shall be established a National Library of Education at the Department of Education (hereafter in this subsection referred to as the "Library") which shall—

(A) be a national resource center for teachers, scholars, librarians, State, local, and Indian tribal education officials, parents, and other interested individuals; and

(B) provide resources to assist in the—

(i) advancement of research on education;

(ii) dissemination and exchange of scientific and other information important to the improvement of education at all levels; and

(iii) improvement of educational achievement.

(2) MISSION.—The mission of the Library shall be to—

(A) become a principal center for the collection, preservation, and effective utilization of the research and other information related to education and to the improvement of educational achievement;

(B) strive to ensure widespread access to the Library's facilities and materials, coverage of all education issues and subjects, and quality control;

(C) have an expert library staff; and

(D) use modern information technology that holds the potential to link major libraries, schools, and educational centers across the United States into a network of national education resources.

(3) FUNCTIONS.—The Library shall—

(A) establish a policy to acquire and preserve books, periodicals, data, prints, films, recordings, and other library materials related to education;

(B) establish a policy to disseminate information about the materials available in the Library;

(C) make available through loans, photographic or other copying procedures, or otherwise, such materials in the Library as the Secretary deems appropriate; and

(D) provide reference and research assistance.

(4) LIBRARIAN.—

(A) IN GENERAL.—The Secretary shall appoint a librarian to head the Library.

(B) EXPERIENCE.—The individual appointed pursuant to subparagraph (A) shall have extensive experience as a librarian.

(C) SOLICITATION OF NOMINATIONS.—The Secretary shall solicit nominations from individuals and organizations before making the appointment described in subparagraph (A).

(D) SALARY.—The librarian shall be paid at not less than the minimum rate of pay payable for level GS–15 of the General Schedule.

(p) EDUCATION RESOURCES INFORMATION CLEARINGHOUSES.—The Assistant Secretary shall establish and support Education Resources Information Clearinghouses (including directly supporting dissemination services) having such functions as the clearinghouses had on the day preceding the date of enactment of this Act, except that—

(1) the Assistant Secretary shall establish for the clearinghouses a coherent policy for the abstraction from, and inclusion in, the educational resources information clearinghouse system books, periodicals, reports, and other materials related to education; and

(2) the clearinghouses shall collect and disseminate information on alternative management demonstration projects operating in public schools throughout the Nation.

(q) AUTHORIZATION OF APPROPRIATIONS.—

(1) DIRECTORATES OF EDUCATIONAL RESEARCH.—

(A) IN GENERAL.—There are authorized to be appropriated $100,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1999, to carry out subsections (c) through (h), relating to the Directorates of Educational Research.

(B) APPROPRIATIONS OF $70,000,000 OR LESS.—From the amount made available under clause (i) in any fiscal year in which the amount appropriated to carry out such clause is $70,000,000 or less—

(i) at least 25 percent of such amount shall be available to carry out subsection (d), relating to the National Directorate on Curriculum, Instruction, and Assessment;

(ii) at least 10 percent of such amount shall be available to carry out subsection (e), relating to the National Directorate on the Educational Achievement of Historically Underserved Populations;

(iii) at least 10 percent of such amount shall be available to carry out subsection (f), relating to the National Directorate on Early Childhood Development and Education;

(iv) at least 5 percent of such amount shall be available to carry out subsection (g), relating to the National Directorate on Elementary and Secondary Educational Governance, Finance, Policymaking, and Management;

(v) at least 5 percent of such amount shall be available to carry out subsection (h), relating to the National Directorate on Adult Education, Literacy and Lifelong Learning; and

(vi) not more than 10 percent of such amount shall be available to carry out synthesis and coordination activities described in subsection (c)(1)(C).

(C) APPROPRIATIONS GREATER THAN $70,000,000.—From the amount made available under clause (i) in any fiscal year in which the amount appropriated to carry out such clause is greater than $70,000,000—

(i) at least 30 percent of such amount shall be available to carry out subsection (d), relating to the National Directorate on Curriculum, Instruction, and Assessment;

(ii) at least 10 percent of such amount shall be available to carry out subsection (e), relating to the National Directorate on the Educational Achievement of Historically Underserved Populations;

(iii) at least 10 percent of such amount shall be available to carry out subsection (f), relating to the National Directorate on Early Childhood Development and Education;

(iv) at least 10 percent of such amount shall be available to carry out subsection (g), relating to the National Directorate on Elementary and Secondary Educational Governance, Finance, Policymaking, and Management;

(v) at least 10 percent of such amount shall be available to carry out subsection (h), relating to the National Directorate on Adult Education, Literacy and Lifelong Learning; and

(vi) not more than 10 percent of such amount shall be available to carry out synthesis and coordination activities described in subsection (c)(1)(C).

(D) SPECIAL RULE.—Not less than 95 percent of funds appropriated pursuant to the authority of clause (i) in any fiscal year shall be expended to carry out this section through grants, cooperative agreements, or contracts.

(2) REGIONAL EDUCATIONAL LABORATORIES.—There are authorized to be appropriated $41,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1999, to carry out subsection (k), relating to the regional educational laboratories.

(3) TEACHER RESEARCH DISSEMINATION DEMONSTRATION PROGRAM.—

(A) IN GENERAL.—There are authorized to be appropriated $10,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1999, to carry out the provisions of subsection (l), relating to the teacher research dissemination demonstration program.

(B) PEER REVIEW.—The Secretary may use not more than 0.2 percent of the amount appropriated pursuant to the authority of subparagraph (A) for each fiscal year for peer review of applications under this section.

(4) OFFICE OF DISSEMINATION AND REFORM ASSISTANCE.—There are authorized to be appropriated $5,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1999, to carry out subsections (m) and (k)(6), relating to the Office of Education Dissemination and Reform Assistance and additional projects for regional educational laboratories, respectively.

(5) NATIONAL DIFFUSION NETWORK STATE FACILITATORS.—There are authorized to be appropriated $10,000,000 for the fiscal year 1995, and such sums as may be necessary for each of fiscal years 1996 through 1999, to carry out subsection (n), relating to the National Diffusion Network State Facilitators.

(6) NATIONAL EDUCATION LIBRARY.—There are authorized to be appropriated $10,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1999, to carry out subsection (o), relating to the National Education Library.

(7) EDUCATION RESOURCES INFORMATION CLEARINGHOUSES.—There are authorized to be appropriated $10,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1999, to carry out subsection (p), relating to the Education Resources Information Clearinghouses.

(8) ADMINISTRATION OF FUNDS.—When more than one Federal agency uses funds to support a single project under this section, the Office may act for all such agencies in administering such funds.

(r) EXISTING CONTRACTS AND GRANTS.—

(1) SPECIAL RULE.—Notwithstanding any other provision of law, grants or contracts for the regional educational laboratories and the centers assisted under section 405 of the General Education Provisions Act on the day preceding the date of enactment of this Act shall remain in effect until the termination date of such grants or contracts, except that the grants or contracts for such centers which terminate before the competition for the new centers described in subsection (c)(3)(B) is completed may be extended until the time that the awards for such new centers are made.

(2) FUNDING.—The Secretary shall use amounts appropriated pursuant to the authority of subsection (q)(1)(A) to support the grants or contracts described in paragraph (1).

SEC. 913. SAVINGS PROVISIONS.

(a) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(1) which have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by a court of competent jurisdiction, in the performance of functions of the Office of Educational Research and Improvement (as such functions existed on the day before the date of enactment of this Act); and

(2) which are in effect at the time this title takes effect, or were final before the effective date of this title and are to become effective on or after the effective date of this title,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Secretary or other authorized official, a court of competent jurisdiction, or by operation of law.

(b) PROCEEDINGS NOT AFFECTED.—The provisions of this title shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before the Office of Educational Research and Improvement at the time this title takes effect, with respect to functions of such Office but such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this title had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this title had not been enacted.

(c) SUITS NOT AFFECTED.—The provisions of this title shall not affect suits commenced

before the effective date of this title, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this title had not been enacted.

(d) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the Office of Educational Research and Improvement, or by or against any individual in the official capacity of such individual as an officer of the Office of Educational Research and Improvement, shall abate by reason of the enactment of this title.

(e) ADMINISTRATIVE ACTIONS RELATING TO PROMULGATION OF REGULATIONS.—Any administrative action relating to the preparation or promulgation of a regulation by the Office of Educational Research and Improvement relating to a function of such Office under this title may be continued by the Office of Educational Research and Improvement with the same effect as if this title had not been enacted.

SEC. 914. FIELD READERS.

Section 402 of the Department of Education Organization Act (20 U.S.C. 3462) is amended—

(1) by inserting "(a) IN GENERAL.—" before "The Secretary"; and

(2) by adding at the end the following new subsection:

"(b) SPECIAL RULE.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary may use not more than 1 percent of the funds appropriated for any education program that awards such funds on a competitive basis to pay the expenses and fees of non-Federal experts necessary to review applications and proposals for such funds.

"(2) APPLICABILITY.—The provisions of paragraph (1) shall not apply to any education program under which funds are authorized to be appropriated to pay the fees and expenses of non-Federal experts to review applications and proposals for such funds.".

PART B—EDUCATIONAL IMPROVEMENT PROGRAMS

Subpart 1—International Education Program

SEC. 921. INTERNATIONAL EDUCATION PROGRAM.

(a) PROGRAM ESTABLISHED.—The Secretary shall carry out an International Education Program in accordance with this section that shall provide for—

(1) the study of international education programs and delivery systems; and

(2) an international education exchange program.

(b) ASSESSMENT AND INFORMATION.—The Secretary shall award grants for the study, evaluation and analysis of education systems in other nations, particularly Great Britain, France, Germany and Japan. Such studies shall focus upon a comparative analysis of curriculum, methodology and organizational structure, including the length of the school year and school day. In addition, the studies shall provide an analysis of successful strategies employed by other nations to improve student achievement, with a specific focus upon application to schooling and the National Education Goals.

(c) INTERNATIONAL EDUCATION EXCHANGE.—

(1) REQUIREMENT.—

(A) IN GENERAL.—The Secretary shall carry out a program to be known as the International Education Exchange Program. Under such program the Secretary shall award grants to or enter into contracts with organizations with demonstrated effectiveness or expertise in international achievement comparisons, in order to—

(i) make available to educators from eligible countries exemplary curriculum and teacher training programs in civics and government education and economic education developed in the United States;

(ii) assist eligible countries in the adaptation and implementation of such programs or joint research concerning such programs;

(iii) create and implement educational programs for United States students which draw upon the experiences of emerging constitutional democracies;

(iv) provide a means for the exchange of ideas and experiences in civics and government education and economic education among political, educational and private sector leaders of participating eligible countries; and

(v) provide support for—

(I) research and evaluation to determine the effects of educational programs on students' development of the knowledge, skills and traits of character essential for the preservation and improvement of constitutional democracy; and

(II) effective participation in and the preservation and improvement of an efficient market economy.

(B) RESERVATIONS.—In carrying out the program described in subparagraph (A), the Secretary shall reserve in each fiscal year—

(i) 50 percent of the amount available to carry out this subsection for civics and government education activities; and

(ii) 50 percent of such amount for economic education activities.

(2) CONTRACT AUTHORIZED.—

(A) IN GENERAL.—The Secretary is authorized to contract with independent nonprofit educational organizations to carry out the provisions of this subsection.

(B) NUMBER.—The Secretary shall award at least 1 but not more than 3 contracts described in subparagraph (A) in each of the areas described in clauses (i) and (ii) of paragraph (1)(B).

(C) AVOIDANCE OF DUPLICATION.—The Secretary shall award contracts described in subparagraph (A) so as to avoid duplication of activities in such contracts.

(D) REQUIREMENTS.—Each organization with which the Secretary enters into a contract pursuant to subparagraph (A) shall—

(i) be experienced in—

(I) the development and national implementation of curricular programs in civics and government education and economic education for students from grades kindergarten through 12 in local, intermediate, and State educational agencies, in schools funded by the Bureau of Indian Affairs, and in private schools throughout the Nation with the cooperation and assistance of national professional educational organizations, colleges and universities, and private sector organizations;

(II) the development and implementation of cooperative university and school based inservice training programs for teachers of grades kindergarten through grade 12 using scholars from such relevant disciplines as political science, political philosophy, history, law and economics;

(III) the development of model curricular frameworks in civics and government education and economic education;

(IV) the administration of international seminars on the goals and objectives of civics and government education or economic education in constitutional democracies (including the sharing of curricular materials) for educational leaders, teacher trainers, scholars in related disciplines, and educational policymakers; and

(V) the evaluation of civics and government education or economic education programs; and

(ii) have the authority to subcontract with other organizations to carry out the provisions of this subsection.

(3) ACTIVITIES.—The international education program described in this subsection shall—

(A) provide eligible countries with—

(i) seminars on the basic principles of United States constitutional democracy and economics, including seminars on the major governmental and economic institutions and systems in the United States, and visits to such institutions;

(ii) visits to school systems, institutions of higher learning, and nonprofit organizations conducting exemplary programs in civics and government education and economic education in the United States;

(iii) home stays in United States communities;

(iv) translations and adaptations regarding United States civics and government education and economic education curricular programs for students and teachers, and in the case of training programs for teachers translations and adaptations into forms useful in schools in eligible countries, and joint research projects in such areas;

(v) translation of basic documents of United States constitutional government for use in eligible countries, such as *The Federalist Papers*, selected writings of Presidents Adams and Jefferson and the Anti-Federalists, and more recent works on political theory, constitutional law and economics; and

(vi) research and evaluation assistance to determine—

(I) the effects of educational programs on students' development of the knowledge, skills and traits of character essential for the preservation and improvement of constitutional democracy; and

(II) effective participation in and the preservation and improvement of an efficient market economy;

(B) provide United States participants with—

(i) seminars on the histories, economics and governments of eligible countries;

(ii) visits to school systems, institutions of higher learning, and organizations conducting exemplary programs in civics and government education and economic education located in eligible countries;

(iii) home stays in eligible countries;

(iv) assistance from educators and scholars in eligible countries in the development of curricular materials on the history, government and economics of such countries that are useful in United States classrooms;

(v) opportunities to provide on-site demonstrations of United States curricula and pedagogy for educational leaders in eligible countries; and

(vi) research and evaluation assistance to determine—

(I) the effects of educational programs on students' development of the knowledge, skills and traits of character essential for the preservation and improvement of constitutional democracy; and

(II) effective participation in and improvement of an efficient market economy; and

(C) assist participants from eligible countries and the United States in participating in international conferences on civics and government education and economic education for educational leaders, teacher trainers, scholars in related disciplines, and educational policymakers.

(4) PRINTER MATERIALS AND PROGRAMS.—All printed materials and programs provided to foreign nations under this subsection shall bear the logo and text used by the Marshall Plan after World War II, that is, clasped hands with the inscription "A gift from the American people to the people of (insert name of country)".

(5) PARTICIPANTS.—The primary participants in the international education program assisted under this subsection shall be leading educators in the areas of civics and government education and economic education, including curriculum and teacher training specialists, scholars in relevant disciplines, and educational policymakers, from the United States and eligible countries.

(6) PERSONNEL AND TECHNICAL EXPERTS.—The Secretary is authorized to provide Department of Education personnel and technical experts to assist eligible countries establish and implement a database or other effective methods to improve educational delivery systems, structure and organization.

(7) DEFINITIONS.—For the purpose of this subsection the term "eligible country" means a Central European country, an Eastern European country, Lithuania, Latvia, Estonia, Georgia, the Commonwealth of Independent States, and any country that formerly was a republic of the Soviet Union whose political independence is recognized in the United States.

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) ASSESSMENT AND INFORMATION.—There are authorized to be appropriated $1,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1999, to carry out subsection (b).

(2) INTERNATIONAL EDUCATION EXCHANGE.—There are authorized to be appropriated $10,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1999, to carry out subsection (c).

Subpart 2—Amendments to the Carl D. Perkins Vocational and Applied Technology Education Act

SEC. 931. NATIONAL OCCUPATIONAL INFORMATION COORDINATING COMMITTEE.

Section 422 of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2422) is amended—

(1) in paragraph (2) of subsection (a), by inserting "(including postsecondary employment and training programs)" after "training programs"; and

(2) in subsection (b)—

(A) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively;

(B) in the matter preceding paragraph (1) (as redesignated in subparagraph (A)), by inserting "the State board or agency governing higher education," after "coordinating council,"; and

(C) in paragraph (1) (as redesignated in subparagraph (A))—

(i) by striking "Act and of" and inserting "Act, of"; and

(ii) by inserting "and of the State board or agency governing higher education" after "Job Training Partnership Act";

(3) by redesignating subsection (d) as subsection (e); and

(4) by inserting after subsection (c) the following new subsection:

"(d) DATA COLLECTION SYSTEM.—In the development and design of a system to provide data on graduation or completion rates, job placement rates from occupationally specific programs, licensing rates, and awards of high school graduate equivalency diplomas (GED), each State board for higher education shall develop a data collection system the results of which can be integrated into the occupational information system developed under this section.".

Subpart 3—Elementary Mathematics and Science Equipment Program

SEC. 941. SHORT TITLE.

This subpart may be cited as the "Elementary Mathematics and Science Equipment Act".

SEC. 942. STATEMENT OF PURPOSE.

It is the purpose of this subpart to raise the quality of instruction in mathematics and science in the Nation's elementary schools by providing equipment and materials necessary for hands-on instruction through assistance to State and local educational agencies.

SEC. 943. PROGRAM AUTHORIZED.

The Secretary is authorized to make allotments to State educational agencies under section 944 to enable such agencies to award grants to local educational agencies for the purpose of providing equipment and materials to elementary schools to improve mathematics and science education in such schools.

SEC. 944. ALLOTMENTS OF FUNDS.

(a) IN GENERAL.—From the amount appropriated under section 950 for any fiscal year, the Secretary shall reserve—

(1) not more than one-half of 1 percent for allotment among Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau according to their respective needs for assistance under this subpart; and

(2) one-half of 1 percent for programs for Indian students served by schools funded by the Secretary of the Interior which are consistent with the purposes of this subpart.

(b) ALLOTMENT.—The remainder of the amount so appropriated (after meeting requirements in subsection (a)) shall be allotted among State educational agencies so that—

(1) one-half of such remainder shall be distributed by allotting to each State educational agency an amount which bears the same ratio to such one-half of such remainder as the number of children aged 5 to 17, inclusive, in the State bears to the number of such children in all States; and

(2) one-half of such remainder shall be distributed according to each State's share of allocations under chapter 1 of title I of the Elementary and Secondary Education Act of 1965,

except that no State educational agency shall receive less than one-half of 1 percent of the amount available under this subsection in any fiscal year or less than the amount allotted to such State for fiscal year 1988 under title II of the Education for Economic Security Act.

(c) REALLOTMENT OF UNUSED FUNDS.—The amount of any State educational agency's allotment under subsection (b) for any fiscal year to carry out this subpart which the Secretary determines will not be required for that fiscal year to carry out this subpart shall be available for reallotment from time to time, on such dates during that year as the Secretary may determine, to other State educational agencies in proportion to the original allotments to those State educational agencies under subsection (b) for that year but with such proportionate amount for any of those other State educational agencies being reduced to the extent it exceeds the sum the Secretary estimates that the State educational agency needs and will be able to use for that year, and the total of those reductions shall be similarly reallotted among the State educational agencies whose proportionate amounts were not so reduced. Any amounts reallotted to a State educational agency under this subsection during a year shall be deemed a subpart of the State educational agency's allotment under subsection (b) for that year.

(d) DEFINITION.—For the purposes of this subpart the term "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

(e) DATA.—The number of children aged 5 to 11, inclusive, in the State and in all States shall be determined by the Secretary on the basis of the most recent satisfactory data available to the Secretary.

SEC. 945. STATE APPLICATION.

(a) APPLICATION.—Each State educational agency desiring to receive an allotment under this subpart shall file an application with the Secretary which covers a period of 5 fiscal years. Such application shall be filed at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(b) CONTENTS OF APPLICATION.—Each application described in subsection (a) shall—

(1) provide assurances that—

(A) the State educational agency shall use the allotment provided under this subpart to award grants to local educational agencies within the State to enable such local educational agencies to provide assistance to schools served by such agency to carry out the purpose of this subpart;

(B) the State educational agency will provide such fiscal control and funds accounting as the Secretary may require;

(C) every public elementary school in the State is eligible to receive assistance under this subpart once over the 5-year duration of the program assisted under this subpart;

(D) funds provided under this subpart will supplement, not supplant, State and local funds made available for activities authorized under this subpart;

(E) during the 5-year period described in the application, the State educational agency will evaluate its standards and programs for teacher preparation and inservice professional development for elementary mathematics and science;

(F) the State educational agency will take into account the needs for greater access to and participation in mathematics and science by students and teachers from historically underrepresented groups, including females, minorities, individuals with limited-English proficiency, the economically disadvantaged, and individuals with disabilities; and

(G) that the needs of teachers and students in areas with high concentrations of low-income students and sparsely populated areas will be given priority in awarding assistance under this subpart;

(2) provide, if appropriate, a description of how funds paid under this subpart will be coordinated with State and local funds and other Federal resources, particularly with respect to programs for the professional development and inservice training of elementary school teachers in science and mathematics; and

(3) describe procedures—

(A) for submitting applications for programs described in sections 236 and 237 for distribution of assistance under this subpart within the State; and

(B) for approval of applications by the State educational agency, including appro-

priate procedures to assure that such agency will not disapprove an application without notice and opportunity for a hearing.

(c) STATE ADMINISTRATION.—Not more than 5 percent of the funds allotted to each State educational agency under this subpart shall be used for the administrative costs of such agency associated with carrying out the program assisted under this subpart.

SEC. 946. LOCAL APPLICATION.

(a) APPLICATION.—A local educational agency that desires to receive a grant under this subpart shall submit an application to the State educational agency. Each such application shall contain assurances that each school served by the local educational agency shall be eligible for assistance under this subpart only once.

(b) CONTENTS OF APPLICATION.—Each application described in subsection (a) shall—

(1) describe how the local educational agency plans to set priorities on the use and distribution among schools of grant funds received under this subpart to meet the purpose of this subpart;

(2) include assurances that the local educational agency has made every effort to match on a dollar-for-dollar basis from private or public sources the funds received under this subpart, except that no such application shall be penalized or denied assistance under this subpart based on failure to provide such matching funds;

(3) describe, if applicable, how funds under this subpart will be coordinated with State, local, and other Federal resources, especially with respect to programs for the professional development and inservice training of elementary school teachers in science and mathematics; and

(4) describe the process which will be used to determine different levels of assistance to be awarded to schools with different needs.

(c) PRIORITY.—In awarding grants under this subpart, the State educational agency shall give priority to applications that—

(1) assign highest priority to providing assistance to schools which—

(A) are most seriously underequipped; or

(B) serve large numbers or percentages of economically disadvantaged students;

(2) are attentive to the needs of underrepresented groups in science and mathematics;

(3) demonstrate how science and mathematics equipment will be part of a comprehensive plan of curriculum planning or implementation and teacher training supporting hands-on laboratory activities; and

(4) assign priority to providing equipment and materials for students in grades 1 through 6.

SEC. 947. PARTICIPATION OF PRIVATE SCHOOLS.

(a) PARTICIPATION OF PRIVATE SCHOOLS.—To the extent consistent with the number of children in the State or in the school district of each local educational agency who are enrolled in private nonprofit elementary schools, such State educational agency shall, after consultation with appropriate private school representatives, make provision for including services and arrangements for the benefit of such children as will assure the equitable participation of such children in the purposes and benefits of this subpart.

(b) WAIVER.—If by reason of any provision of State law a local educational agency is prohibited from providing for the participation of children or teachers from private nonprofit schools as required by subsection (a), or if the Secretary determines that a State or local educational agency has substantially failed or is unwilling to provide for such participation on an equitable basis, the Secretary shall waive such requirements and shall arrange for the provision of services to such children or teachers subject to the requirement of this section. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements described in section 1017 of the Elementary and Secondary Education Act of 1965.

SEC. 948. PROGRAM REQUIREMENTS.

(a) COORDINATION.—Each State educational agency receiving an allotment under this subpart shall—

(1) disseminate information to school districts and schools, including private nonprofit elementary schools, regarding the program assisted under this subpart;

(2) evaluate applications of local educational agencies;

(3) award grants to local educational agencies based on the priorities described in section 946(c); and

(4) evaluate local educational agencies' end-of-year summaries and submit such evaluation to the Secretary.

(b) LIMITATIONS ON USE OF FUNDS.—

(1) IN GENERAL.—Except as provided in paragraph (2), grant funds and matching funds under this subpart only shall be used to purchase science equipment, science materials, or mathematical manipulative materials and shall not be used for computers, computer peripherals, software, textbooks, or staff development costs.

(2) CAPITAL IMPROVEMENTS.—Grant funds under this subpart may not be used for capital improvements. Not more than 50 percent of any matching funds provided by the local educational agency may be used for capital improvements of classroom science facilities to support the hands-on instruction that this subpart is intended to support, such as the installation of electrical outlets, plumbing, lab tables or counters, or ventilation mechanisms.

SEC. 949. FEDERAL ADMINISTRATION.

(a) TECHNICAL ASSISTANCE AND EVALUATION PROCEDURES.—The Secretary shall provide technical assistance and, in consultation with State and local representatives of the program assisted under this subpart, shall develop procedures for State and local evaluations of the programs assisted under this subpart.

(b) REPORT.—The Secretary shall report to the Congress each year on the program assisted under this subpart.

SEC. 950. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $10,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1999, to carry out this subpart.

Subpart 4—Media Instruction

SEC. 951. MEDIA INSTRUCTION.

(a) GRANTS AUTHORIZED.—The Secretary shall enter into a contract with an independent nonprofit organization described in subsection (b) for the establishment of a national multimedia television-based project directed to homes, schools and after-school programs that is designed to motivate and improve the reading comprehension and writing coherence of elementary school-age children.

(b) DEMONSTRATED EFFECTIVENESS.—The Secretary shall award the contract described in subsection (a) to an independent nonprofit organization that has demonstrated effectiveness in educational programming and development on a nationwide basis.

(c) AUTHORIZATION AND APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 for fiscal year 1995, and such sums as may be necessary for fiscal year 1996 and fiscal year 1997, to carry out this section.

Subpart 5—Star Schools

SEC. 961. STAR SCHOOLS.

Subsection (a) of section 908 of the Star Schools Assistance Act (20 U.S.C. 4085b(a)) is amended by striking "greater" and inserting "lesser".

Subpart 6—Office of Comprehensive School Health Education

SEC. 971. OFFICE OF COMPREHENSIVE SCHOOL HEALTH EDUCATION.

(a) IN GENERAL.—Subsection (c) of section 4605 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3155(c)) is amended—

(1) in the matter preceding paragraph (1), by striking "Office of the Secretary" and inserting "Office of Elementary and Secondary Education"; and

(2) by adding at the end the following new paragraph:

"(4) To act as a liaison office for the coordination of the activities undertaken by the Office under this section with related activities of the Department of Health and Human Services and to expand school health education research grant programs under this section.".

(b) TRANSITION.—The Secretary shall take all appropriate actions to facilitate the transfer of the Office of Comprehensive School Health Education pursuant to the amendment made by subsection (a).

Subpart 7—Minority-Focused Civics Education

SEC. 981. SHORT TITLE.

This subpart may be cited as the "Minority-Focused Civics Education Act of 1994".

SEC. 982. PURPOSES.

It is the purpose of this subpart—

(1) to encourage improved instruction for minorities and Native Americans in American government and civics through a national program of accredited summer teacher training and staff development seminars or institutes followed by academic year inservice training programs conducted on college and university campuses or other appropriate sites, for—

(A) social studies and other teachers responsible for American history, government, and civics classes; and

(B) other educators who work with minority and Native American youth; and

(2) through such improved instruction to improve minority and Native American student knowledge and understanding of the American system of government.

SEC. 983. GRANTS AUTHORIZED; AUTHORIZATION OF APPROPRIATIONS.

(a) GRANTS AUTHORIZED.—

(1) IN GENERAL.—The Secretary is authorized to make grants to eligible entities for the development and implementation of seminars in American government and civics for elementary and secondary school teachers and other educators who work with minority and Native American students.

(2) AWARD RULE.— In awarding grants under this subpart, the Secretary shall ensure that there is wide geographic distribution of such grants.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 for fiscal 1995, and such sums as may be necessary for each of the fiscal years 1996, 1997, and 1998, to carry out this subpart.

SEC. 984. DEFINITIONS.

For purposes of this subpart—

(1) the term "eligible entity" means a State educational agency, an institution of

higher education or a State higher education agency, or a public or private nonprofit organization, with experience in coordinating or conducting teacher training seminars in American government and civics education, or a consortium thereof; and

(2) the term "State higher education agency" means the officer or agency primarily responsible for the State supervision of higher education.

SEC. 985. APPLICATIONS.

(a) APPLICATION REQUIRED.—Each eligible entity desiring a grant under this subpart shall submit an application to the Secretary, at such time, in such manner and containing or accompanied by such information as the Secretary may reasonably require.

(b) CONTENTS OF APPLICATION.—Each application submitted pursuant to subsection (a) shall—

(1) define the learning objectives and course content of each seminar to be held and describe the manner in which seminar participants shall receive substantive academic instruction in the principles, institutions and processes of American government;

(2) provide assurances that educators successfully participating in each seminar will qualify for either graduate credit or professional development or advancement credit according to the criteria established by a State or local educational agency;

(3) describe the manner in which seminar participants shall receive exposure to a broad array of individuals who are actively involved in the political process, including political party representatives drawn equally from the major political parties, as well as representatives of other organizations involved in the political process;

(4) provide assurances that the seminars will be conducted on a nonpartisan basis;

(5) describe the manner in which the seminars will address the role of minorities or Native Americans in the American political process, including such topics as—

(A) the history and current political state of minorities or Native Americans;

(B) recent research on minority or Native American political socialization patterns and cognitive learning styles; and

(C) studies of political participation patterns of minorities or Native Americans;

(6) describe the pedagogical elements for teachers that will enable teachers to develop effective strategies and lesson plans for teaching minorities or Native American students at the elementary and secondary school levels;

(7) identify the eligible entities which will conduct the seminars for which assistance is sought;

(8) in the case that the eligible entity is an institution of higher education, describe the plans for collaborating with national organizations in American government and civics education;

(9) provide assurances that during the academic year educators participating in the summer seminars will provide inservice training programs based upon what such educators have learned and the curricular materials such educators have developed or acquired for their peers in their school systems with the approval and support of their school administrators; and

(10) describe the activities or services for which assistance is sought, including activities and services such as—

(A) development of seminar curricula;

(B) development and distribution of instructional materials;

(C) scholarships for participating teachers; and

(D) program assessment and evaluation.

(c) PRIORITY.—The Secretary, in approving applications for assistance under this subpart, shall give priority to applications which demonstrate that—

(1) the applicant will serve teachers who teach in schools with a large number or concentration of economically disadvantaged students;

(2) the applicant has demonstrated national experience in conducting or coordinating accredited summer seminars in American government or civics education for elementary and secondary school teachers;

(3) the applicant will coordinate or conduct seminars on a national or multistate basis through a collaboration with an institution of higher education, State higher education agency or a public or private nonprofit organization, with experience in coordinating or conducting teacher training programs in American government and civics education;

(4) the applicant will coordinate or conduct seminars designed for more than one minority student population and for Native Americans; and

(5) the applicant will coordinate or conduct seminars that offer a combination of academic instruction in American government, exposure to the practical workings of the political system, and training in appropriate pedagogical techniques for working with minority and Native American students.

PART C—DEFINITIONS

SEC. 991. DEFINITIONS.

For the purpose of this title—

(1) the term "elementary school" has the same meaning given to such term by section 1471(8) of the Elementary and Secondary Education Act of 1965;

(2) the term "institution of higher education" has the same meaning given to such term by section 1201(a) of the Higher Education Act of 1965;

(3) the term "local educational agency" has the same meaning given to such term by section 1471(12) of the Elementary and Secondary Education Act of 1965;

(4) the term "secondary school" has the same meaning given to such term by section 1471(21) of the Elementary and Secondary Education Act of 1965;

(5) the term "Secretary" means the Secretary of Education; and

(6) the term "State educational agency" has the same meaning given such term by section 1471(23) of the Elementary and Secondary Education Act of 1965.

TITLE X—PARENTS AS TEACHERS

SEC. 1001. FINDINGS.

The Congress finds that—

(1) increased parental involvement in the education of their children appears to be the key to long-term gains for youngsters;

(2) providing seed money is an appropriate role for the Federal Government to play in education;

(3) children participating in the parents as teachers program in Missouri are found to have increased cognitive or intellectual skills, language ability, social skills and other predictors of school success;

(4) most early childhood programs begin at age 3 or 4 when remediation may already be necessary; and

(5) many children receive no health screening between birth and the time they enter school, thus such children miss the opportunity of having developmental delays detected early.

SEC. 1002. STATEMENT OF PURPOSE.

It is the purpose of this title to encourage States and eligible entities to develop and expand parent and early childhood education programs in an effort to—

(1) increase parents' knowledge of and confidence in child-rearing activities, such as teaching and nurturing their young children;

(2) strengthen partnerships between parents and schools; and

(3) enhance the developmental progress of participating children.

SEC. 1003. DEFINITIONS.

For the purposes of this title—

(1) the term "developmental screening" means the process of measuring the progress of children to determine if there are problems or potential problems or advanced abilities in the areas of understanding and use of language, perception through sight, perception through hearing, motor development and hand-eye coordination, health, and physical development;

(2) the term "eligible entity" means an entity in a State operating a parents as teachers program;

(3) the term "eligible family" means any parent with one or more children between birth and 3 years of age;

(4) the term "lead agency" means—

(A) except as provided in subparagraph (B), the office, agency, or other entity in a State designated by the Governor to administer the parents as teachers program authorized by this title; or

(B) in the case of a grant awarded under this title to an eligible entity, such eligible entity;

(5) the term "parent education" includes parent support activities, the provision of resource materials on child development and parent-child learning activities, private and group educational guidance, individual and group learning experiences for the parent and child, and other activities that enable the parent to improve learning in the home; and

(6) the term "parent educator" means a person hired by the lead agency of a State or designated by local entities who administers group meetings, home visits and developmental screening for eligible families.

SEC. 1004. PROGRAM ESTABLISHED.

(a) AUTHORITY.—

(1) IN GENERAL.—The Secretary is authorized to make grants in order to pay the Federal share of the cost of establishing, expanding, or operating parents as teachers programs in a State.

(2) ELIGIBLE RECIPIENTS.—The Secretary may make a grant under paragraph (1) to a State, except that, in the case of a State having an eligible entity, the Secretary shall make the grant directly to the eligible entity.

(b) FUNDING RULE.—Grant funds awarded under this section shall be used so as to supplement, and to the extent practicable, increase the level of funds that would, in the absence of such funds, be made available from non-Federal sources, and in no case may such funds be used so as to supplant funds from non-Federal sources.

SEC. 1005. PROGRAM REQUIREMENTS.

(a) REQUIREMENTS.—Each State or eligible entity receiving a grant pursuant to section 1004 shall conduct a parents as teachers program which—

(1) establishes and operates parent education programs, including programs of developmental screening of children; and

(2) designates a lead State agency which—

(A) shall hire parent educators who have had supervised experience in the care and education of children;

(B) shall establish the number of group meetings and home visits required to be pro-

vided each year for each participating family, with a minimum of 2 group meetings and 10 home visits for each participating family;

(C) shall be responsible for administering the periodic screening of participating children's educational, hearing and visual development, using the Denver Developmental Test, Zimmerman Preschool Language Scale, or other approved screening instruments; and

(D) shall develop recruitment and retention programs for hard-to-reach populations.

(b) LIMITATION.—Grant funds awarded under this title shall only be used for parents as teachers programs which serve families during the period beginning with the birth of a child and ending when the child attains the age of 3.

SEC. 1006. SPECIAL RULES.

Notwithstanding any other provision of this section—

(1) no person, including home school parents, public school parents, or private school parents, shall be required to participate in any program of parent education or developmental screening pursuant to the provisions of this title;

(2) no parents as teachers program assisted under this title shall take any action that infringes in any manner on the right of parents to direct the education of their children; and

(3) the provisions of section 438(c) of the General Education Provisions Act shall apply to States and eligible entities awarded grants under this title.

SEC. 1007. PARENTS AS TEACHERS CENTERS.

The Secretary shall establish one or more Parents As Teachers Centers to disseminate information to, and provide technical and training assistance to, States and eligible entities establishing and operating parents as teachers programs.

SEC. 1008. EVALUATIONS.

The Secretary shall complete an evaluation of the parents as teachers programs assisted under this title within 4 years from the date of enactment of this Act, including an assessment of such programs' impact on at-risk children.

SEC. 1009. APPLICATION.

Each State or eligible entity desiring a grant under this title shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require. Each such application shall describe the activities and services for which assistance is sought.

SEC. 1010. PAYMENTS AND FEDERAL SHARE.

(a) PAYMENTS.—The Secretary shall pay to each State or eligible entity having an application approved under section 1009 the Federal share of the cost of the activities described in the application.

(b) FEDERAL SHARE.—

(1) IN GENERAL.—The Federal share—

(A) for the first year for which a State or eligible entity receives assistance under this title shall be 100 percent;

(B) for the second such year shall be 100 percent;

(C) for the third such year shall be 75 percent;

(D) for the fourth such year shall be 50 percent; and

(E) for the fifth such year shall be 25 percent.

(2) NON-FEDERAL SHARE.—The non-Federal share of payments under this title may be in cash or in kind, fairly evaluated, including planned equipment or services.

SEC. 1011. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $20,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997, to carry out this title.

SEC. 1012. HOME INSTRUCTION PROGRAM FOR PRESCHOOL YOUNGSTERS.

Subsection (b) of section 1052 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2742(b)) is amended by adding at the end the following new paragraph:

"(4)(A)(i) In any fiscal year in which this subsection applies, each State that receives a grant under this part may use not more than 20 percent of such grant funds in accordance with this part (other than sections 1054(a), 1054(b), and 1055) to pay the Federal share of the cost of establishing, operating, or expanding a Home Instruction Program for Preschool Youngsters that is not eligible to receive assistance under this part due to the application of such sections.

"(ii) Each State establishing, operating or expanding a Home Instruction Program for Preschool Youngsters pursuant to clause (i) shall give priority to establishing, operating or expanding, respectively, such a program that targets—

"(I) working poor families or near poor families that do not qualify for assistance under the early childhood programs under the Head Start Act or this chapter; and

"(II) parents who have limited or unsuccessful formal schooling.

"(B) For the purpose of carrying out subparagraph (A), a Home Instruction Program for Preschool Youngsters that is not eligible to receive assistance under this part due to the application of sections 1054(a), 1054(b), and 1055 shall be deemed to be an eligible entity.

"(C) For the purpose of this paragraph—

"(i) the term 'Home Instruction Program for Preschool Youngsters' means a voluntary early-learning program, for parents with one or more children between age 3 through 5, inclusive, that—

"(I) provides support, training, and appropriate educational materials, necessary for parents to implement a school-readiness, home instruction program for the child; and

"(II) includes—

"(aa) group meetings with other parents participating in the program;

"(bb) individual and group learning experiences with the parent and child;

"(cc) provision of resource materials on child development and parent-child learning activities; and

"(dd) other activities that enable the parent to improve learning in the home;

"(ii) the term 'limited or unsuccessful formal schooling' means the—

"(I) completion of secondary school with low achievement during enrollment;

"(II) noncompletion of secondary school with low achievement during enrollment; or

"(III) lack of a certificate of graduation from a school providing secondary education or the recognized equivalent of such certificate;

"(iii) the term 'near poor families' means families that have an income that is approximately 130 percent of the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act; and

"(iv) the term 'working poor families' means families that—

"(I) have family members—

"(aa) who are working; or

"(bb) who were looking for work during the 6 months prior to the date on which the determination is made; and

"(II) earn an income not in excess of 150 percent of the poverty line as described in clause (iii).".

TITLE XI—GUN-FREE SCHOOLS

SEC. 1101. SHORT TITLE.

This title may be cited as the "Gun-Free Schools Act of 1994".

SEC. 1102. GUN-FREE REQUIREMENTS IN ELEMENTARY AND SECONDARY SCHOOLS.

The Elementary and Secondary Education Act of 1965 (20 U.S.C. 2701 et seq.) is amended—

(1) by redesignating title X as title IX;

(2) by redesignating sections 8001 through 8005 as sections 9001 through 9005, respectively; and

(3) by inserting after title VII the following new title:

"TITLE VIII—GUN-FREE SCHOOLS

"SEC. 8001. GUN-FREE REQUIREMENTS.

"(a) REQUIREMENTS.—

"(1) IN GENERAL.—No assistance may be provided to any local educational agency under this Act unless such agency has in effect a policy requiring the expulsion from school for a period of not less than one year of any student who is determined to have brought a weapon to a school under the jurisdiction of the agency except such policy may allow the chief administering officer of the agency to modify such expulsion requirement for a student on a case-by-case basis.

"(2) DEFINITION.—For the purpose of this section, the term "weapon" means a firearm as such term is defined in section 921 of title 18, United States Code.

"(b) REPORT TO STATE.—Each local educational agency requesting assistance from the State educational agency that is to be provided from funds made available to the State under this Act shall provide to the State, in the application requesting such assistance—

"(1) an assurance that such local educational agency has in effect the policy required by subsection (a); and

"(2) a description of the circumstances surrounding any expulsions imposed under the policy required by subsection (a), including—

"(A) the name of the school concerned;

"(B) the number of students expelled from such school; and

"(C) the types of weapons concerned.".

TITLE XII—ENVIRONMENTAL TOBACCO SMOKE

SEC. 1201. SHORT TITLE.

This title may be cited as the "Preventing Our Kids From Inhaling Deadly Smoke (PRO-KIDS) Act of 1994".

SEC. 1202. FINDINGS.

Congress finds that—

(1) environmental tobacco smoke comes from secondhand smoke exhaled by smokers and sidestream smoke emitted from the burning of cigarettes, cigars, and pipes;

(2) since citizens of the United States spend up to 90 percent of each day indoors, there is a significant potential for exposure to environmental tobacco smoke from indoor air;

(3) exposure to environmental tobacco smoke occurs in schools, public buildings, and other indoor facilities;

(4) recent scientific studies have concluded that exposure to environmental tobacco smoke is a cause of lung cancer in healthy nonsmokers and is responsible for acute and chronic respiratory problems and other health impacts in sensitive populations (including children);

(5) the health risks posed by environmental tobacco smoke exceed the risks posed by

many environmental pollutants regulated by the Environmental Protection Agency; and

(6) according to information released by the Environmental Protection Agency, environmental tobacco smoke results in a loss to the economy of over $3,000,000,000 per year.

SEC. 1203. DEFINITIONS.

As used in this title:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) CHILDREN.—The term "children" means individuals who have not attained the age of 18.

(3) CHILDREN'S SERVICES.—The term "children's services" means services that are—

(A)(i) direct health services routinely provided to children; or

(ii) any other direct services routinely provided primarily to children, including educational services; and

(B) funded, directly or indirectly, in whole or in part, by Federal funds (including in-kind assistance).

(4) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

SEC. 1204. NONSMOKING POLICY FOR CHILDREN'S SERVICES.

(a) ISSUANCE OF GUIDELINES.—Not later than 180 days after the date of enactment of this Act, the Administrator shall issue guidelines for instituting and enforcing a nonsmoking policy at each indoor facility where children's services are provided.

(b) CONTENTS OF GUIDELINES.—A nonsmoking policy that meets the requirements of the guidelines shall, at a minimum, prohibit smoking in each portion of an indoor facility where children's services are provided that is not ventilated separately (as defined by the Administrator) from other portions of the facility.

SEC. 1205. TECHNICAL ASSISTANCE.

(a) IN GENERAL.—The Administrator and the Secretary shall provide technical assistance to persons who provide children's services and other persons who request technical assistance.

(b) ASSISTANCE BY THE ADMINISTRATOR.—The technical assistance provided by the Administrator under this section shall include information to assist persons in compliance with the requirements of this title.

(c) ASSISTANCE BY THE SECRETARY.—The technical assistance provided by the Secretary under this section shall include information for employees on smoking cessation programs and on smoking and health issues.

SEC. 1206. FEDERALLY FUNDED PROGRAMS.

(a) IN GENERAL.—Notwithstanding any other provision of law, each person who provides children's services shall establish and make a good-faith effort to enforce a nonsmoking policy that meets or exceeds the requirements of subsection (b).

(b) NONSMOKING POLICY.—

(1) GENERAL REQUIREMENTS.—A nonsmoking policy meets the requirements of this subsection if the policy—

(A) is consistent with the guidelines issued under section 1204(a);

(B) prohibits smoking in each portion of an indoor facility used in connection with the provision of services directly to children; and

(C) where appropriate, requires that signs stating that smoking is not permitted be posted in each indoor facility to communicate the policy.

(2) PERMISSIBLE FEATURES.—A nonsmoking policy that meets the requirements of this subsection may allow smoking in those portions of the facility—

(A) in which services are not normally provided directly to children; and

(B) that are ventilated separately from those portions of the facility in which services are normally provided directly to children.

(c) WAIVER.—

(1) IN GENERAL.—A person described in subsection (a) may publicly petition the head of the Federal agency from which the person receives Federal funds (including financial assistance) for a waiver from any or all of the requirements of subsection (b).

(2) CONDITIONS FOR GRANTING A WAIVER.—Except as provided in paragraph (3), the head of the Federal agency may grant a waiver only—

(A) after consulting with the Administrator, and receiving the concurrence of the Administrator;

(B) after giving an opportunity for public hearing (at the main office of the Federal agency or at any regional office of the agency) and comment; and

(C) if the person requesting the waiver provides assurances that are satisfactory to the head of the Federal agency (with the concurrence of the Administrator) that—

(i) unusual extenuating circumstances prevent the person from establishing or enforcing the nonsmoking policy (or a requirement under the policy) referred to in subsection (b) (including a case in which the person shares space in an indoor facility with another entity and cannot obtain an agreement with the other entity to abide by the nonsmoking policy requirement) and the person will establish and make a good-faith effort to enforce an alternative nonsmoking policy (or alternative requirement under the policy) that will protect children from exposure to environmental tobacco smoke to the maximum extent possible; or

(ii) the person requesting the waiver will establish and make a good-faith effort to enforce an alternative nonsmoking policy (or alternative requirement under the policy) that will protect children from exposure to environmental tobacco smoke to the same degree as the policy (or requirement) under subsection (b).

(3) SPECIAL WAIVER.—

(A) IN GENERAL.—On receipt of an application, the head of the Federal agency may grant a special waiver to a person described in subsection (a) who employs individuals who are members of a labor organization and provide children's services pursuant to a collective bargaining agreement that—

(i) took effect before the date of enactment of this Act; and

(ii) includes provisions relating to smoking privileges that are in violation of the requirements of this section.

(B) TERMINATION OF WAIVER.—A special waiver granted under this paragraph shall terminate on the earlier of—

(i) the first expiration date (after the date of enactment of this Act) of the collective bargaining agreement containing the provisions relating to smoking privileges; or

(ii) the date that is 1 year after the date specified in subsection (f).

(d) CIVIL PENALTIES.—

(1) IN GENERAL.—Any person subject to the requirements of this section who fails to comply with the requirements shall be liable to the United States for a civil penalty in an amount not to exceed $1,000 for each violation, but in no case shall the amount be in excess of the amount of Federal funds received by the person for the fiscal year in which the violation occurred for the provision of children's services. Each day a violation continues shall constitute a separate violation.

(2) ASSESSMENT.—A civil penalty for a violation of this section shall be assessed by the head of the Federal agency that provided Federal funds (including financial assistance) to the person (or if the head of the Federal agency does not have the authority to issue an order, the appropriate official) by an order made on the record after opportunity for a hearing in accordance with section 554 of title 5, United States Code. Before issuing the order, the head of the Federal agency (or the appropriate official) shall—

(A) give written notice to the person to be assessed a civil penalty under the order of the proposal to issue the order; and

(B) provide the person an opportunity to request, not later than 15 days after the date of receipt of the notice, a hearing on the order.

(3) AMOUNT OF CIVIL PENALTY.—In determining the amount of a civil penalty under this subsection, the head of the Federal agency (or the appropriate official) shall take into account—

(A) the nature, circumstances, extent, and gravity of the violation;

(B) with respect to the violator, the ability to pay, the effect of the penalty on the ability to continue operation, any prior history of the same kind of violation, the degree of culpability, and a demonstration of willingness to comply with the requirements of this title; and

(C) such other matters as justice may require.

(4) MODIFICATION.—The head of the Federal agency (or the appropriate official) may compromise, modify, or remit, with or without conditions, any civil penalty that may be imposed under this subsection. The amount of the penalty as finally determined or agreed upon in compromise may be deducted from any sums that the United States owes to the person against whom the penalty is assessed.

(5) PETITION FOR REVIEW.—A person who has requested a hearing concerning the assessment of a penalty pursuant to paragraph (2) and is aggrieved by an order assessing a civil penalty may file a petition for judicial review of the order with the United States Court of Appeals for the District of Columbia Circuit or for any other circuit in which the person resides or transacts business. The petition may only be filed during the 30-day period beginning on the date of issuance of the order making the assessment.

(6) FAILURE TO PAY.—If a person fails to pay an assessment of a civil penalty—

(A) after the order making the assessment has become a final order and without filing a petition for judicial review in accordance with paragraph (5); or

(B) after a court has entered a final judgment in favor of the head of the Federal agency (or appropriate official),

the Attorney General shall recover the amount assessed (plus interest at then currently prevailing rates from the last day of the 30-day period referred to in paragraph (5) or the date of the final judgment, as the case may be) in an action brought in an appropriate district court of the United States. In the action, the validity, amount, and appropriateness of the penalty shall not be subject to review.

(e) EXEMPTION.—This section shall not apply to a person who provides children's services who—

(1) has attained the age of 18;

(2) provides children's services—

(A) in a private residence; and

(B) only to children who are, by affinity or consanguinity, or by court decree, a grandchild, niece, or nephew of the provider; and

(3) is registered and complies with any State requirements that govern the children's services provided.

(f) EFFECTIVE DATE.—This section shall take effect on the first day of the first fiscal year beginning after the date of enactment of this Act.

SEC. 1207. REPORT BY THE ADMINISTRATOR.

Not later than 2 years after the date of enactment of this Act, the Administrator shall submit a report to Congress that includes—

(1) information concerning the degree of compliance with this title; and

(2) an assessment of the legal status of smoking in public places.

SEC. 1208. PREEMPTION.

Nothing in this title is intended to preempt any provision of law of a State or political subdivision of a State that is more restrictive than a provision of this title.

ORDER OF PROCEDURE

Mr. BAUCUS. Madam President, I ask unanimous consent that Senator GORTON be recognized to address the Senate, and upon conclusion of his remarks the Senate stand in recess as ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Washington is recognized.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

Mr. GORTON. Madam President, on two previous occasions, in 1982 and in 1986, I opposed an amendment similar or identical to the balanced budget proposal to the constitution which is before this body at this time. I am inclined to believe that calling it a balanced budget amendment is something of an exaggeration. It is an amendment to the Constitution which will make it clearly more difficult to pass one unbalanced budget after another, year after year after year.

The reason for my two negative votes on the predecessors to this proposal is similar to those which opponents have outlined with both force and eloquence yesterday and today in this body. The opponents make two points. First, that Congress and the President ought to accept the responsibility of directing this country toward a balanced budget. And second, that a statute rather than a constitutional amendment would provide a more flexible and even possibly more effective method of bringing the budget into balance.

In that connection, I was an enthusiastic supporter, and I believe a cosponsor, of Gramm-Rudman, a statutory proposal designed to bring the budget into balance, which I may reflect actually caused a reduction in the budget for each of the years in which it was in full force and effect. But I observed, as did others, in the year 1990, that when the Gramm-Rudman shoe began to pinch, it was for all practical purposes repealed by this body with the assent of the President. In that case neither the President nor Congress were willing to deal with the necessity to balance the budget with severe and drastic measures.

I believe that I can reflect on the fact that that budget debate in 1990 was pivotal to my change of views on this subject. In that year, as a substitute for Gramm-Rudman, we were presented with a so-called budget agreement in which both high taxes were imposed by the Congress with the assent of the President and in theory at least a degree of spending restraint was imposed at the same time.

We all know the result. The tax increases, of course, went into effect; few, if any, of the spending cuts went into effect; and the net result was that the budget deficit went up every year after the 1990 budget agreement until the year in which we find ourselves today.

That budget agreement led to a worse deficit by far than would have been the case without new tax increases but with the enforcement of Gramm-Rudman.

So it is my observation after 11 years in this body that we simply are not going to do the job unaided or unforced; that we are not going to do the job by statute; that we simply are going to have to have an outside impetus, an outside drive to reach a balanced budget or even to close in on that desirable object.

I suppose one could put it slightly differently. Since the last debate on this issue in 1986, we have had a couple of trillion reasons for the passage of this constitutional amendment, each one of those reasons being an additional dollar of debt for the United States of America.

Now, I confess, of course, that I made up my mind on this issue some time ago, no later than sometime last year. But that change in heart was overwhelmingly reinforced by an incident which took place less than 2 weeks ago. This Senator and a handful of others were present in a hearing of the Senate Budget Committee, at which the sole witness was Laura Tyson, the Chief of the President's Council of Economic Advisers. The distinguished senior Senator from Illinois [Mr. SIMON], the primary sponsor of this resolution, was present and engaged in an extended and intellectually stimulating debate with Ms. Tyson on the balanced budget amendment.

She forcefully expressed the views of the administration in opposing this resolution with one technical objection, one objection to the effect that the resolution, the constitutional amendment would not work, after another.

I found the answers to each of those questions, none of which were new, by the distinguished senior Senator from Illinois to be persuasive. But I also was impressed with the arguments made by Chairman Tyson. Simply by luck of the draw, I was permitted to question Ms. Tyson immediately after the end of that debate. The question I put to her was, if she and the administration believed that this constitutional amendment was not the right way to go, would not succeed in reaching its goals, contained technical flaws, what alternative course of action did she and the Clinton administration propose that would reach the goal of a balanced budget in any of the years through 1999 covered by the budget figures in the submission to the Congress from the White House, or for that matter, through the year 2001, the year in which this resolution would become effective if passed by the Congress and ratified by the States?

I can quote to you. Ms. Tyson said: "It is my belief that we should not try to get to a full balanced budget by the year 1999." She went on to say that she did not believe, though she had not scored all the figures, that we should not try for such a goal by the year 2001 either.

Madam President, that was a candid and an honest answer. On previous occasions we had witnesses tell us that this was a great goal, and they just were not sure how they would get to it. But Chairman Tyson said we should not even try.

And of course when one looks at the budget submitted to us by the President, one sees that by next year we are at a deficit, if everything comes out right, of a mere, apparently, according to the President, $150 billion. But the deficit figure never goes below that number in any succeeding year projected by the President's budget. In fact, it starts back up again, and I presume would be at a level of some $200 billion by the year 2001, the year in which this constitutional amendment will go into effect, if passed by the Congress and promptly ratified by the States. If nothing else should persuade us of the necessity of this outside discipline, that admission should.

The opposition to the administration does not come from the proposition that there is a better way to get to a balanced budget. It comes from the proposition that we should never even try, that $150 billion to $200 billion of deficit as far as the eye can see in good times as in bad constitutes a better fiscal policy than does a balanced budget.

I do not see as a consequence any other alternative than to pass this proposal.

I have one other insight into this proposal which may be of some value to some of my colleagues. The State of Washington last November voted on two initiatives having to do with taxing and with spending. One was a quite drastic initiative which would roll-

back all of the tax increases passed by a new State administration in the 1993 session of this legislature, and therefore of course require a rollback of many spending programs. After a spirited and expensive campaign on both sides of that initiative, it lost by a relative narrow but nonetheless decisive majority.

On the same ballot, however, was another initiative, an initiative very similar in its philosophy to the resolution which is before this body now, an initiative which said in short that the government of the State of Washington and the spending in the State of Washington by the government, will not grow any more rapidly than the economy of the State growth without a supermajority vote of the members of the State legislature, and under some circumstances a vote of the people of the State of Washington.

That, Madam President, is precisely the philosophy of this resolution. That initiative in the State of Washington was passed by the people of the State in spite of the fact that its proponents had almost no money to spend on advertising, barely enough to gather the signatures and do a grassroots campaign. That one was passed. And it was passed in spite of the fact that all of the money being spent against the other unsuccessful initiative was being spent against it too.

But the people of the State of Washington, and I think the people of the United States of America, do not want Government constantly to grow more rapidly than does the economy of the Nation as a whole.

And finally, and related to this matter, is the fact that there is not a single Member of this body, no matter how junior, who is not well aware of the fact that lobbying organizations, whether they are professional and located full time here in Washington, DC, or whether there are those that come from our own States, overwhelmingly lobby Members of Congress to spend more money or to increase the size of Government. That lobbying effort as against those who lobby for a general fiscal conservatism or a general fiscal responsibility is on the order of 5, 6, 8, 10 to 1.

That seems to me, Madam President, highly to justify this proposition, that clearly that lobbying effort does not represent or reflect the view of the majority of our constituents, and so to make the hurdles which the lobbyists for more money, for more government, must surmount somewhat higher than they are at the present time in exactly the sense the people of the State of Washington have made them higher by their own free vote.

It seems to this Senator to be highly consistent with the views and the constitutional philosophy of those who more than 200 years ago wrote our Constitution in Philadelphia. I strongly suspect that if they had had any insight into the dynamics or politics and of lobbying and of logrolling and of pork barrel which are present in the lives of every one of us here today and at the level in which we find them, that they would not only have approved of but would have insisted on a supermajority requirement like that in this resolution.

This resolution, Madam President, does not require a balanced budget. I do not see how it could require a balanced budget. But it does make it more difficult for those who constantly want to increase the size of Government and to increase its spending at a rate more rapid than the growth of our economy. It does make their task somewhat more difficult.

It is a proposition which restores a degree of balance which has been lost not just for the last year, not just for the last decade, perhaps not even for the last century, but a balance which has been lost for some time in this country.

So Madam President, I stand before you, before the Senate, as someone who, having I believe thoughtfully opposed this proposal in the past, now believes, with a greater depth of understanding of the real forces which drive politics and fiscal policy in this country, and am persuaded that this is a protection which we must offer to the people and which the people demand from us.

So, Madam President, this is one Senator who hopes that he has companions who have seen the light, who believe that the time has come for their constitutional amendment, and the time is now.

ORDERS FOR THURSDAY, FEBRUARY 24, 1994

Mr. BAUCUS. Madam President, on behalf of the majority leader, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 11 a.m., Thursday, February 24; that following the prayer, the Journal of proceedings be approved to date and the time for the two leaders reserved for their use later in the day; that there then be a period for morning business not to extend beyond 12 noon, with Senators permitted to speak therein for up to 10 minutes each; that immediately after the Chair's announcement, Senator FEINSTEIN be recognized for up to 20 minutes; that at 12 noon, the Senate resume consideration of Senate Joint Resolution 41, the balanced budget constitutional amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 11 A.M.

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 11 a.m., Thursday, February 24, 1994.

There being no objection, the Senate, at 7:18 p.m., recessed until tomorrow, Thursday, February 24, 1994, at 11 a.m..

NOMINATIONS

Executive nominations received by the Senate February 23, 1994:

DEPARTMENT OF DEFENSE

HELEN THOMAS MCCOY, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF THE ARMY, VICE DOUGLAS ALAN BROOK, RESIGNED.

DEPARTMENT OF STATE

DEREK SHEARER, OF CALIFORNIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO FINLAND.

DEPARTMENT OF TRANSPORTATION

RICARDO MARTINEZ, OF LOUISIANA, TO BE ADMINISTRATOR OF THE NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, VICE MARION CLIFTON BLAKEY, RESIGNED.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL ON THE RETIRED LIST PURSUANT TO THE PROVISIONS TO TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. BUSTER C. GLOSSON, [redacted]

IN THE NAVY

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be vice admiral

VICE ADM. KENNETH C. MALLEY [redacted]